

# FAR EASTERN ECONOMIC REVIEW

Vol. VIII

Hongkong, May 25, 1950.

No. 21

## Who Said "Recession"?

Recently there has hovered over Hongkong a cloud of gloomy prognostications in respect to the recession in trade which was said to be affecting the Colony. It is undeniable that the situation in China, and particularly the blockade of Shanghai and other ports by the Kuomintang, has adversely affected dealers in certain commodities who have seen their stocks accumulating without being able to dispose of them; but this aspect of the case, discouraging as it may be, is not sufficient to justify the pessimism displayed and it is well to point out that in actual fact the trade figures for this year continue to prove the contrary.

Mr. James Griffiths, British Secretary of State for the Colonies, recently gave a fair summing up of the situation when he remarked at a luncheon for members of the Hongkong delegation to the British Industries Fair that "everyone hopes that the present prosperity will continue, but as an enterpot Hongkong must often be at the mercy of events over which she has little control." In enumerating these events Mr. Griffiths pointed out that notwithstanding the disturbing effects on the life of the Colony caused by the establishment of the new regime in China, Hongkong had nevertheless managed to remain a relative "oasis of peace and prosperity" in the Far East. This is, indeed, the most striking fact about the Colony and is the best testimony to the stability of a system worked on really democratic lines for the good of the community as a whole.

The next outstanding point emphasized by Mr. Griffiths was the expansion of Hongkong's industrial production, as distinct from its trade and commerce, "not only in volume of output, but also in variety in products and scope of markets." The Colony's exhibit at the British Industries Fair "itself provides good evidence of this, and it may now be said that there are very few corners of the globe to which Hongkong manufacturers do not penetrate." This statement was not made at random by Mr. Griffiths; it is based upon solid facts. Some of these are presented in this issue, giving the figures for exports of locally made products under Imperial Preference certificate and certificate of origin, and indicate the remarkable growth in Hongkong's industries today as compared with last year, which it must not be forgotten is claimed as a "boom" year.

According to these returns, the value of local manufactures exported in April amounted to \$16.22 million (£1 million), an increase of 37.5% over March

exports, of 80% over February and of 66% over January, while it exceeded the monthly average value for 1949, \$7.28 m., by 122.8%. This steady and healthy development should give heart of grace to those who have hitherto felt disposed to hearken to the tale of woe.

From the figures, also, it is clear there is as yet no sign of a recession where Hongkong's trade and industries are concerned; and if under the impact, again to quote Mr. Griffiths, of "the tremendous events that have taken place in China, which Hongkong has witnessed from the very threshold," the Colony has not only been able to hold her own but even to increase her trade and industries, surely it is not too much to suggest that the word "recession" be eliminated from the vocabulary until backed up by sufficient statistical proof to indicate its existence.

The "scope of markets" to which Mr. Griffiths referred is shown in the table of exports already mentioned, and it is indeed true that there are few countries in which Hongkong goods are not known. Great Britain comes easily first among the purchasers of locally made commodities, and shipments in that direction during April showed a rise of 38.4% over March and of 117% over February. This indicates an appreciation of local wares that can be retained only if the manufacturers pay strict attention to keeping up the stan-

dard of their exports overseas. India, the West Indies, Australia, Pakistan, East and West Africa, Egypt, Malaya, Central America, the Middle East, and Europe, are some of the countries now turning to Hongkong for supplies, all showing a new alignment in the Colony's flow of trade, away from dependence solely or mainly upon China.

As for "variety in products," the most popular of the goods sent abroad are knitted wares, shirts and clothing (to the durable quality of which attention has recently been drawn in England), rubber shoes, cotton yarn, enamelwares, cotton piece goods, towels, flashlight torch cases, hurricane lamps, — but these are merely a few out of a varied selection and many more deserve to be brought to the attention of customers abroad. In this respect, the exhibits at the British Industries Fair play a valuable part.

Perhaps the most important point to be noticed in regard to the exports listed under certificate of origin is that the figures can give only a partial picture of shipments overseas, as many countries which do not require a certificate have to be omitted from the list.

Now that the Nationalists have withdrawn from the Chusan Islands and other strategic points off the coast of China, bringing the blockade to a close, it should be possible for normal trading conditions to resume between Hongkong and its vast neighbour which is urgently requiring most of the goods stored here.

## Cancellation of Import Contracts in Hongkong

The problem of how to dispose of the supplies of cotton and woollen piece goods, woollen yarns, sundry goods, paper, etc., large quantities of which were ordered in 1949 for delivery this year has become more acute with the changing situation in China added to the congested state of the warehouses in Hongkong.

Financial difficulties caused through the inability to dispose of their holdings induced various mercantile associations on behalf of their members to approach the Hongkong General Chamber of Commerce for assistance in requesting foreign importing firms to arrange for a cancellation of their 1950 contracts where possible. The Chamber of Commerce, however, understanding the difficulties involved on both sides advised the merchants to negotiate direct with the firms involved, while agreeing to circularize members on the subject. As a result of negotiation, in some cases where execution of the contract had not proceeded too far it has been found possible to sidetrack

the goods to some other area and cancellation has been effected; in a few other instances, part of the deposit made against the order was forfeited as compensation for the cancellation; and again, other manufacturers agreed to postpone shipment for three months and to prolong the period for delivery locally for a further two months after arrival of the goods.

The majority of the contracting merchants desiring cancellation are those dealing in piece goods and woollen yarns, and the volume of the orders placed through the foreign importing firms runs into large figures, based upon the requirements of dealers in China as well as local needs; it has consequently been difficult for the local importing firms, though understanding the situation well and sympathising with the request for cancellation to do much beyond putting forward the merchants' point of view as clearly as possible for consideration by the manufacturers abroad. In the case of the latter it is of course evident that where



an order is nearing completion the manufacturer could hardly be expected to stand any loss incurred by cancellation. However, in a very few cases a compromise has been reached under which the manufacturer has agreed to lower the indent price on condition that the goods are accepted. This is the other extreme to the negotiations conducted by certain other Chinese merchants under which the local dealer was willing to pay a loss up to 30 or 40 cents a pound under woollen yarn contracts as against 60 to 80 cents asked by the foreign firm.

In the case of paper the situation has been slightly easier, and importers are hoping that it may be possible to arrange for cancellation in certain cases. Various Indonesian importers are apparently willing to take over a number of contracts, to the extent of 3000 tons, which would ease the situation somewhat.

The difficulty with which Chinese merchants are faced is that they cannot at present count with any certainty upon trade with China through Hongkong continuing on a large scale. The policy of the Communists as soon as the blockade of China ports is a thing of the past is to return to the pre-war system under which shipments to and from other countries and North and Central China were made direct from Shanghai or Tientsin. It is true that the port of Shanghai, formerly fourth or fifth in world importance, has fallen into a sad state of disrepair through neglect, but as soon as attempts are made to restore the port facilities it is only a question of time before large ocean going vessels will be able to call there, sidetracking Hongkong as before. Consequently it is understandable that with the limited warehouse accommodation available in the Colony it might be inadvisable to have larger stocks on hand of certain commodities than can be dealt with in the interim period while the situation clears.

Hainan Island for some time past has been a good customer for cotton goods, metals, paper, and such sundries as cigarettes, oil, etc.; Taiwan is an even more important point in the Hongkong scheme of trade. The former, however, has become insignificant where purchases are concerned since its capture by the Communists, although a certain amount of trade still continues; the latter, it is becoming apparent, can only be counted upon until the attack upon it begins,—whether that be in the autumn or next year does not matter, it is clearly only a question of time before its demands upon Hongkong for goods lessen.

Again, the blockade of Canton has been relaxed with the fall of Hainan Island and trade up the Pearl River has already been resumed. Ships coming from that city are bringing foodstuffs into the Colony without hindrance; but unfortunately, for the present at any rate, on account of import restrictions imposed by the local authorities on cotton goods and paper, to mention only some items, the vessels are able to take very little merchandise back to Canton, consequently the Chin-

ese dealer is not as yet much better off. At the back of his mind lies the conviction that trade with China will take on a new alignment to which he will have to adapt himself; in this process of adaptation he does not wish to be overloaded with commodities which may hamper him in making the inevitable adjustments that must take place if Hongkong is to continue as an active and thriving entrepot and industrial centre in the Far East.

Officials of the Federal Reserve Bank of New York state that some 6,000,000 ounces of gold now find its way annually into private gold hoards. The International Monetary Fund, in its annual report for 1949, put the disappearance of gold at \$200,000,000 annually.

One thing no soft-money addict can refute is this: "If the United States were to spring \$5,000,000,000 in gold coins tomorrow—which equals only about \$35 per capita—within 30 days it would be practically impossible to find a double eagle in a bank. Where would the gold go? It would be in the possession of individuals, because in having it, they possess something of small size, of high value, and redeemable at any time in goods or services".

## Gold as the International Money Base

This puts a damper on the argument that the average citizen does not want hard money.

When the Chinese Nationalist Government announced, in its final days before removing to Formosa, that citizens would be allowed to convert their paper money into gold, one ounce to a person, there was rioting as peasants, coolies, merchant princes, men, women, and children mobbed the banks, endeavoring to exchange depreciated currency for hard money.

During 1948, Macao is said to have taken the astonishing quantity of 3,400,000 ounces of gold for smuggling into China. About 1,300,000 ounces is believed to have been smuggled into India, and several hundred thousand ounces are presumed to have gone to Egypt. Yet, if we are to believe economists, the people no longer care for gold!

Whereas, in 1947, all foreign countries, with two exceptions, were losers of gold, and, in 1948, only a few added to their holdings, quite a number began to build up their gold reserves gradually in 1948.

It has been announced that Switzerland would return to redeemable currency, backed by gold.

Italy, also, has indicated that it too might return to gold-backed currency, this being borne out by the report that the Italian Government recently purchased 116.6 metric tons of gold bars from the United States.

World production of gold for 1948 was estimated at \$765,000,000 (excluding Russia). Russia's gold production for the same year is estimated by the Bank of International Settlements as about 4,000,000 ounces. Russia is reported to be mining gold at a rate variously estimated at between \$140,000,000 and \$400,000,000 annually. Its gold reserves have been conservatively estimated at \$3,000,000,000, and some think they are nearer \$10,000,000,000.

The May, 1949, Monthly Economic Letter of the National City Bank of New York, stated that the United States stocks of gold amounted to \$24,311,000,000, and that the ratio of gold stock to money supply was 22.9%. Stocks of gold held by other Governments are estimated at \$9,000,000,000.

There are rumors of the adoption of a uniform worldwide monetary system, based on a universal standard of value. This standard of value will undoubtedly be gold, which has stood the test of centuries as a monetary base. The world has learned from past experience that all other mediums have resulted in chaos.

The only method of establishing the value of money is by agreement, whether among the people of a nation, or among nations, and even then money has value only as long as all parties agree to recognize and respect that established value.



## Rehabilitation at Taikoo Dockyard

Ample evidence of the faith of the Taikoo Dockyard & Engineering Company of Hongkong Limited in the future of the Far East can be gleaned from a visit to their 65 acre installation at Quarry Bay. Here out of what was a mass of rubble and twisted metal after the bombing by the U.S.A.A.F. five years ago has risen a Phoenix in the shape of a modern integrated engineering plant, including the "alpha" and "omega" in the building and repair of ships. The dry dock, repair slipways, building berths and metallurgical and woodworking shops constitute a self-sufficient unit for the construction of Ocean-going vessels up to a length of 500 feet and of 10,000 gross tons with all the ancillary services required under modern conditions, the latter ranging from the construction of engines and boilers to the repair of electrical equipment and including galvanising and welding processes as well as the services of a laboratory.

### Four Years Output.

The plant has been in operation for over forty years, but there is little evidence of this fact as equipment has been replaced throughout the years with up to date machinery.

The largest vessel built before the war the "Breconshire" (9,000 tons gross) which was sunk on convoy work in the Mediterranean in March, 1942. Since the war the opportunity has been

Arthur B. Foote, well known California mining engineer, is quoted as saying "For a hundred years previous to 1930, a \$20 bill could be changed for a \$20 gold-piece, weighing nearly an ounce, and the British pound was worth \$4.85." Mr. Foote, however, need not have stopped at a hundred years. The value of gold as a medium of exchange goes far back of that. Even in Abraham's time, gold and silver (hard money), was prized for the settlement of debit and credit balances. In all the centuries since then, none of the financial experts have been able to invent a better or more sure commercial and financial foundation.

Mr. M. A. Kriz, of the New York Federal Reserve Bank, gives the definition of a monetary standard as "a certain metallic unit that has been given, by agreement, a fixed weight, fineness, and value, from which all other types of money take their value." The fixing of a gold unit at an amount per fine ounce is an act of adjusting the gold unit to correspond with prevalent and anticipated economic requirements.

It may generally be assumed that all nations will agree to the use of gold as an international monetary base, because most of the nations in the world, whether on or off the gold standard, directly or indirectly recognize gold as the tried standard by which wealth and values are measured.

taken to modernise the shipyard generally so most of the new tonnage constructed has been in the nature of harbour craft. However, a 4,000 ton Cargo liner is now on the stocks and will be completed by the end of the year. Apart from the restoration of plant during the post-war period the Dockyard has been engaged mainly on repairs and reconversions of ships after war service. There was inevitably a spate of work of this nature and during the years 1946-1949 some 938 ships of a total tonnage of 3,462,192 were serviced in the Harbour.

There is an exceptionally fine modern Sawmill and Joiner's Shop on the premises which has a five-ton overhead travelling crane running the full length of the ground floor. Embodied in this well-lighted, woodworking factory are sufficient modern machines of American and British manufacture to furnish the offices and homes of the Colony, to provide all the functional and ornamental woodwork on a passenger liner and wooden launches etc. Cleanliness and Light which are the characteristic of this building are just as much the keynote of the Machine Shops.

These workshops are equipped to undertake all the processes in the business of building and fitting ships from iron castings up to 25 tons (non-ferrous castings up to 2 tons), the welding of ships' hulls and the construction of steam reciprocating, turbine and diesel engines as well as boilers down to the delicate repair work on Electrical equipment.

In the Smithy there is available one 800 ton hydraulic press and one 300 ton press and a wide variety of pneumatic and electric hammers. The whole chain of production is linked by means of overhead cranes with capacities ranging from 5 to 100 tons. At the quay-wall and alongside the berths are cranes capable of handling heavy engineering work. The largest of these has a lift of 150 tons within a radius of 85 feet and there are three travelling cranes with respective capacities of 10, 25 and 30 tons. In addition, one barge is equipped with a 40 ton crane for work in the Harbour.

The Company maintains for general harbour services a fleet of tugs and launches and also a self-propelled barge equipped with welding and oxy-acetylene cutting plant and pneumatic plant. A salvage tug is scheduled to be completed in the next month or so to replace a similar one which was lost on war service.

The Taikoo Dockyard and Engineering Company, as its name implies, does undertake on occasion the fabrication of plant and equipment for industrial organisations. A hangar at Kai Tak Airfield and several godowns at the water-front were turned out at the plant. The range of what necessarily are side lines include precision work on Aircraft maintenance and heavy construction for general engineering purposes of which the installations at the Yard are conspicuous examples.

The labour force at the Yard has fallen in recent months from post-war peak of about 5,500 men to a little over 4,000. This reduction indicated as much the decline in the volume of work on ships deferred owing to the war as it does the increasing efficiency resultant from the virtual completion of the rehabilitation and re-equipment of the installations within the Yard.

A direct consequence has been some reduction in redundant personnel. The factor of efficiency still doubtless assumes even greater significance with the trends toward competitive conditions in shipbuilding industries the world over. The cost of steel and raw materials which apart from metals includes timber, may be expected to influence the recession in world prices for new work.

### Nascent Competition.

However, the leading problems to be faced are the capacity of shipbuilding yards to carry overheads, consequent on re-equipment at inflated post war prices and the slow increase in the productivity of labour forces. Some warning of this trend has been the transfer to Japanese and German Shipbuilding Yards of work on ships serving the world trade routes. There are as yet few signs of substantial reductions in labour costs in Hongkong which will match the longer hours and higher output of labour in the ex-enemy yards.

### Investment in Social Services.

It is clear that the high prices of food-stuffs and rent are putting a brake on the recession of the costs attributable to the labour forces in the Colony. Nevertheless the Taikoo Dockyard has taken steps to meet this difficulty, the Company's Welfare organisation has arranged canteens and the sale of food-stuffs at cost (or rather below when account is taken of expenditure on the provision of these facilities). In additions, cheap housing in the existing flats nearby has been stretched to the limit. Rents on these flats are at a considerably lower rental per flat when compared with the ruling rate of similar accommodation elsewhere. In this way about one-half of the personnel of the Yard are living with their families under the cheapest conditions which are practical in current circumstances. It cannot be overlooked however, that the accommodation is severely congested and that the estimate of 8,000 dependants living with them is conservative when the account is taken of local customs. In other ways too, efforts are made to provide more tolerable conditions by fostering recreation and medical facilities at the expense of the Company.

The Social work done by the Taikoo Dockyard is necessarily restricted by circumstances over which it can have no control and its present significance is the aim, which is to stabilise the labour force. In assessing the economics of an industrial unit con-



## U.S. Technicians Aid South East Asian Countries

American agricultural technicians can help foreign governments raise the living standards of their people by working at the village level to solve the farmers' daily problems, in the opinion of Dr. Ross E. Moore, of the U.S. Department of Agriculture's Office of Foreign Agricultural Missions. Dr. Moore has just returned from a survey trip of 12 Eastern Hemisphere countries interested in American cooperation in programs of agricultural improvement. The countries visited by Dr. Moore and his co-workers; Dr. Albert H. Moseman, Agricultural Research Administration, and Paul V. Kepner, of the extension service, were Egypt, Syria, the Lebanon, Iraq, India, Pakistan, Afghanistan, Ceylon, Burma, Thailand, and the Philippine Islands. The three men discussed agricultural conditions and policies with government officials of the host countries and considered opportunities for technical cooperation with the United States.

sideration must be given to the way in which it conserves and builds up the human capital after the often painful period of training. It is significant that after the disruption caused by the Japanese occupation a large part of the pre-war labour force is still on the pay-roll.

### Training Arrangement.

Training includes, not only the cohesion required by the teams in the shops, but also the effort devoted to improving the skill of individual employees. There are the arrangements for the apprentices, many of whom are the children of existing employees, to acquire training at the various shops. In addition certain selected apprentices are given the opportunity to attend further training in the U.K. In this way a solid foundation is laid for the establishment of an elite, capable of adapting to local requirements the new techniques being evolved in more developed industrial countries. In this respect the Company is already playing a part in implementing one of the recommendations of the Commonwealth Conference at Sydney on aid to South East Asia.

### Management—A British Mission.

To sum up therefore, the Taikoo Dockyard & Engineering Company of Hongkong Limited is an example of one of the major industrial units in Hongkong where management has produced an efficient modern plant in the process of reconstructing it out of the destruction of World War II. In doing so it is following one of the traditions of British enterprise overseas and is laying the foundation for self-help among the peoples of the Far East. Apart from its record in its own field it will continue to spread a knowledge of the techniques in which Britain has held a lead for so many years.

"In each country we visited, we were impressed with the government's desire to advance the welfare of the people," Dr. Moore said. "Government officials are seeking to organize programs to raise the level of living and they expressed keen interest in whatever assistance and cooperation the United States could give in facilitating these programs."

Dr. Moore noted a feeling that the first activities under President Truman's Point Four program for technical assistance to underdeveloped countries should be directed to the rural village. They wish technical assistance in developing materials and methods for agrarian improvements at the village level so that the villager can actually see how his government and the United States are working together to help him with his problems, he said. The American agriculturalist cited the interest he found in establishing agricultural centers from which services can be carried to farm villages in the fields of extension work of direct farm improvement, education, public health, homemaking, investment, and marketing. They want American technical assistance in starting simple, energetic projects, he said. And already in some countries such cooperative projects in technical agriculture are under way.

In Thailand, for instance, two American technicians have been working with the local government since March 17. Harry H. Love, rice specialist with the U.S. Department of Agriculture, has been assisting the Thai Government in developing a more efficient rice program and helping coordinate agricultural research. Dr. Robert

L. Pendleton, tropical soils expert with many years of foreign experience, who is also a member of the Agriculture Department, is assisting Thailand in soil research, farm management problems, and general agricultural development.

At the request of the Philippine Government, two technicians from the U.S. Department of Agriculture are now working with the Philippine Department of Agriculture and Commerce. John V. Hepler, extension specialist in the Office of Foreign Agricultural Relations, is helping develop a coordinated agricultural extension service, and Dr. Otto A. Reinking of Cornell University, one of America's outstanding tropical plant pathologists, is representing the U.S. Department of Agriculture as advisor on plant disease problems for the Philippine Government.

Preliminary steps also have been taken to enable the United States to cooperate with three other countries visited by Dr. Moore's mission. A two-man agricultural mission is expected to leave for Iran in about six weeks to assist with agricultural extension education on a community level and with research and general agricultural administration. American cooperation will be extended to Ceylon in an agricultural extension program to increase the efficiency of rice production. In response to a request of the Pakistan Government, American technicians will help that country in improving agricultural extension work.

Salaries of the technicians and the financial expenditure involved in sending them to foreign countries are taken care of by the U.S. Government. Local governments finance local operating costs and any local salaries connected with the projects.

## Economic Letter from Washington

South East Asia's economic affairs received close attention in the U.S. press this week following the return of the Griffin survey mission and the announcement by Acting Secretary of State James E. Webb that the State Department "is working on plans" to implement "at once" the program that the mission has recommended. The mission, headed by R. Allen Griffin, California publisher, made a survey of the area during March and April and suggested a program costing about \$60,000,000.

Officials here prefer to wait for the complete Griffin report for an accurate picture of how the money is to be allocated among the various areas and projects. Even then, they say, it would be unwise to assume that the program will be realised exactly as chartered because in practice it may be advisable to change it in some particulars for the over-all benefit of the economy.

It is clear, however, that the program will include agricultural, engineering, health and educational projects, both in city and rural districts, to be completed for the most part

within 15 months. The plan is to be carried out by the U.S. Economic Cooperation Administration—which already has had considerable experience in handling foreign aid projects—out of funds granted this government agency for economic assistance.

It was the feeling of the members of the mission that special U.S. knowledge in industry, agriculture, administration, education and health problems, even if offered on a modest scale, might make a crucial difference to the South Asian economy of today and tomorrow. Accordingly, the mission has laid the greatest stress on projects valuable not only in themselves but which will be the catalysts in spurring other economic development. It was realised, for example, the primitive agricultural techniques in South Asia—whose economy is 70 per cent agricultural—place a low ceiling on productivity, and on living standards generally. The present low agricultural productivity could be raised through advanced techniques in the fields of irrigation, the use of fertilizer, better selection of seed strains, and the use of efficient



implements. The effect of this would be felt, officials say, in South Asia crops used for local consumption and export—rice, corn, coconuts, tea, coffee, tobacco, rubber and abaca.

Officials are confident that the end results will justify the statement made by President Truman on May 9 during his tour of the United States: "In Asia as in the rest of the world, the United States is working, by every means at our command, to build the kind of world economy in which nations can be self-sustaining...because there can never be political stability and peace unless there is a reasonable degree of economic stability and prosperity."

U.S. Government officials pointed out that among the factors that must be primarily considered in viewing South East Asia's economy is that the area's 144 million people represent an impressive pool of considerable potential ability, in terms of manpower, to tackle the urgent task of economic reconstruction. This number comprises the population of Burma, Malaya, Thailand, French Indo-China and Indonesia. The Asians themselves realise, it was noted, that in some fields of endeavor—notably in the field of administrative work—real results cannot be hoped for until latently capable Asians have had the benefit of managerial training by experts.

Another fact pointed out is that the area possesses enormous natural resources—in agriculture, mining, fisheries, and that given adequate technical know-how, the transition between a disrupted economy and a well-functioning one may be effected in a surprisingly short time.

A third fact, it was noted, is that no economy in any part of the world can maintain a satisfactory output if the people suffer from a lack of decent health and sanitation standards and from lack of education.

In addition, it was observed, South East Asia has suffered from severe economic dislocations during and following the war and also from much political unsettledness. Officials here believe that, in the circumstances, it is not surprising that despite the South Asian's manifest ability, their fight toward economic recovery has been fraught with many difficulties.

Government data recently compiled show that current living, health and education standards of South East Asia are lower than for any comparable region in the world; that per capita intake of food is at a subsistence level of between 1,800 and 2,000 calories on the average, about 100 to 150 calories below the prewar level; that disease is shockingly high, with malaria, tuberculosis, beri-beri, hookworm, and yaws particularly prevalent, and that there is a critical shortage of trained physicians. As a result, death rates are high, and average life expectancy 30 years.

The United States desires, U.S. officials have emphasised, to help the people help themselves—to aid them not by the type of economic activity

## Commercial & Industrial Reports

### Hongkong—Japan Trade

Until further announcement, exchange for the purchase of goods from Japan through the Hongkong open account will be granted freely to all approved traders, the allocation system being suspended for the time being. This measure is experimental and its success will depend largely on the co-operation of merchants, in particular, on their applying for exchange only for bona-fide transactions.

The rule that a Letter of Authority must be opened within 15 days of the grant of an import licence will therefore be strictly enforced; a merchant who applies for and is granted an import licence but fails to take out a Letter of Authority within the stipulated period will normally be refused further import licences.

It is also proposed that importers, when taking out Letters of Authority, shall be required at the same time to enter into a formal obligation to re-sell to Government any cancelled or lapsed part of the credit at the official buying rate at the date of re-sale; Government's charge of 1/4% for opening a Letter of Authority, and 1/8% for each month of its duration in excess of three months will not be refundable on unused credits.

The maximum period of validity of a Letter of Authority will be six calendar months from the date of opening, unless in special circumstances a longer period is agreed at the time of opening.

The existing "return exchange" arrangements will no longer be necessary and will be discontinued forthwith.

The new arrangements have come into force on 22nd May, 1950, and will remain in force until further information.

### Rayon Research Plan

Rayon, first known as "artificial silk", was a United Kingdom invention and up to the present Britain's technicians, scientists, engineers and textile designers have maintained the industry's leading place in world technical development. To help keep it there in the strenuous times of competition known to be ahead, the industry, under the aegis of the British Rayon Federation, is promoting co-operative scientific research. This year, for instance, it is hoped to begin erection of a great research station to service the whole industry on a site at Wythenshaw, near

Manchester, England. Meanwhile, the British Rayon Research Association has installed laboratories in temporary quarters at Barton-on-Irwell, four miles (six kilometres) from the centre of Manchester.

Problems being tackled by the industry's research workers include factors governing yarn and fibre strength, the dimensional stability of rayon fabrics, the thermal, photo-chemical and chemical tendering of rayon fabrics, dye absorption and dye fastness. In addition the Association is approaching, on the technological side, such questions as the cheaper production of yarns spun from very fine denier staple.

To expand the industry's pool of research personnel and to augment its technological staffs, the Research Association has instituted a series of research scholarships at various United Kingdom universities and a scheme for the award of technological scholarships tenable in the textile departments of Leeds or Manchester Universities.

### "Invisible Glove" Combats Skin Irritation

In a wide range of industries—including agriculture, fishing, transport, mining—workers of both sexes are liable to various forms of skin affection for which cure is difficult and prevention, hitherto, virtually impossible. Now, however, Scientific Pharmaceuticals, of 233 Balls Pond Road, London, N. 1, has evolved a means of protecting workers against the consequences of contact with all kinds of materials, including dyestuffs, chemicals, explosives, oils, acids, alkalines, and grease.

The answer is in so-called "barrier creams", which seal the skin against the entry of substances liable to set up irritation and consequent disease. Briefly the procedure is that the factory operative spreads a small quantity of cream—not more than a teaspoonful—over his hands until an invisible glove is formed. No single cream has been devised to meet all the needs of industry, but the makers claim that their products are likely to meet all immediate export needs.

The managing director of the company recently staged a spectacular demonstration of a cream known as Kerodex. Effectively sealed by the invisible gloves, he plunged his hands into ordinary tar. Then he dipped his hands into warm water, and the tar was precipitated to the bottom of the bowl. In another demonstration he thrust an anointed finger into a glass of powerful acid. He withdrew his finger unharmed, washed it with soap, put it back again, and again withdrew the finger unscathed.

During this demonstration the chief chemist had plastered paint, normally used in car manufacture, on his hands and dried it above a flame so that the palms of his hands shone with the "finish" of a modern car. The paint was hard and dry. Half a minute's immersion in a bowl of hot water, and the paint fell from his hands.

that existed before the war, but in exploring new possibilities. It is this purpose that is behind the point four program and the loans granted by the Export-Import Bank. It is this that actuated the Griffin mission which has studied conditions on the spot and has come out, in co-operation with Asian government officials and experts, with a program of assistance designed to bring about recovery speedily through short-term projects.



### British Motor Firm's £10 Million Expansion Programme

The factory, almost 20 acres in area, now nearing completion alongside the existing plant of Vauxhall Motors Limited at Luton, 30 miles (48 kilometres) North London, is the first stage in a £10 million programme of expansion and modernisation planned for the next three years. The new building, complete with boiler house and services will cost, when completed, £2,300,000.

These plans provide for the replacement of a considerable part of the present plant with the most modern and efficient production equipment available, the relayout of all shops for improved production flow, less fatigue and better working conditions, and the provision of specialised tools and jigs to give greater accuracy and higher output.

The new building will increase the area of the Vauxhall factory by a third, and is expected eventually to produce an appreciable increase in the present annual output of 84,000 vehicles. Construction should be completed by mid-June and production is expected to start in August.

The structural steel for the building, originally intended for a new factory in the United States was imported in the form of fabricated girders and stanchions. The first stanchion was placed in position on the site at the beginning of May, 1949.

The building is all on one floor level except, that stretching beneath one end, is a reinforced concrete basement, which will be connected by two lifts with the ground floor. Above this is a two-storey office block running the full width of the building.

Great attention has been paid to good natural lighting, and this influenced the selection of colours for interior paintwork. From floor to window level the walls will be in terra-cotta. From windows up to roof trusses the colour will be opaline green. The walls above the trusses, and the ceiling, will be pale cream. All machines will be painted dove grey.

### Cinchona Production and Exports of Indonesia

Of 64 cinchona estates in Indonesia, 51 were in production as of October 1949. The planted area amounted to 10,326 hectares (25,505 acres). Production of dry cinchona bark in the first 10 months of 1949 totalled 5,662,163 kilograms, compared with 5,777,804 kilograms in the corresponding period of 1948. From an aggregate of 404,651 kilograms in January 1949, production rose to 825,724 kilograms in August, but since that month it has declined sharply.

To protect cinchona and quinine interests in Indonesia and the Netherlands from an estimated 50 percent decline in the postwar demand for quinine, the Indonesian Government, toward the end of 1948, instituted a plan to curtail output of cinchona to prevent the accumulation of unwieldy stocks and price dislocation. Some

cinchona-estate owners turned part of their acreage over to tea growing during 1949; others are expecting to make this change during 1950. On estates still devoted to cinchona production, special efforts are being made to increase the quinine content of the bark.

Although cinchona exports in 1949 were about 50 percent less than in 1948, the total value of 1949 exports dropped by only about 17 percent. During the first 10 months of 1949, such exports totalled 1,943 metric tons, valued at 5,040,385 guilders, compared with 3,684 tons, valued at 6,043,844 guilders in the like period of 1948 (1 guilder=US\$0.38 until September 20, 1949, after which 1 guilder=US\$0.26).

Of 1949 cinchona exports, the Netherlands took 1,369 metric tons; the United Kingdom, 529 tons; France, 34 tons; and Italy, 7 tons.

Exports of quinine in the first 10 months of 1949 amounted to 48 metric tons, valued at 884,768 guilders, compared with 44 tons, valued at 1,029,884 guilders, in the like period of 1948.

### Agar-Agar Production of Korea

Annual production of agar-agar in southern Korea is estimated at 500,000 pounds, all of which is available for export. Recent reports stated that stocks on hand were 200,000 pounds, and the price was US\$0.85 per pound, f.o.b., Korea.

### Bauxite Production of Indonesia

Indonesia's bauxite output in 1949, amounting to 678,138 metric tons, was the highest on record. It exceeded the 437,822 metric tons produced in 1948 by 55 percent and the previous peak estimated at 650,000 tons in 1943, by 4 percent. The remarkable progress made by the Indonesian bauxite industry during the past 2 years is all the more striking when comparisons are made with prewar levels of 200,000-250,000 tons per year.

All of the 1949 output was exported; 589,075 tons were assigned to the United States and virtually all of the remainder to Japan.

### Coal Production and Exports of Indonesia

Indonesian coal output totalled 660,000 metric tons in 1949, compared with 537,312 tons in 1948. The 1948 total excludes output of the Ombilin mine in Sumatra, data not being available. Production at that mine increased from 100 tons a day in April 1949 to 500 tons a day by the end of the year, reaching about one-fourth of the prewar peak rate of output.

Coal exports in 1949 amounted to 27,880 tons, of which 17,975 tons went to Shanghai and 8,997 tons to Thailand. A member of the Indonesian Bureau of Mines stated that during 1949 about 10,000 tons of coal a month were available for export but that this tonnage could not be sold abroad largely because of the reduction in shipping services to Chinese ports. As a result, coal stocks accumulated in Indonesia.

### Copal-Gum Exports from Indonesia

Exports of all types of copal gum from Indonesia in the period January-November 1949 totaled 4,075 metric tons, valued at 2,764,756 guilders (1 guilder=\$0.38, predevaluation rate). The United States took 1,486 tons or 36.5 percent of total exports.

### Indonesia Textile Machines

Increased use of machinery in the textile-weaving industry, concentrated in western Java was reported for the year 1949. Single-breadth mechanical looms increased from 4,314 to 5,298, double-breadth mechanical looms from 1,064 to 1,443; double-breadth hand looms from 136 to 217, and foot looms from 379 to 450.

### Thailand Lead Production

The beginning of lead-mining operations in Thailand on a commercial scale was an important development in 1949. Operations followed the formation of a local company to exploit lead-ore deposits at Kanburi.

A number of foreign companies, including United States interests, reportedly have considered these deposits but were discouraged by mining regulations.

Total lead-ore production through October 1949 was 252 metric tons, of which 246 tons were produced at Kanburi during September and October.

### Thailand's Rubber Production and Trade

Thailand's rubber exports in 1949 seemed certain to approximate the record levels of 1948, despite uncertain domestic and world market conditions most of the year. Exports for the first 10 months of 1949 totalled nearly 80,000 metric tons, of which about 20,000 tons, valued at about \$6,500,000, were shipped direct to the United States (compared with 75,000 tons in 1948), 36,000 tons to the Straits Settlements, approximately 23,000 tons to Europe, and nearly 900 tons to Canada.

Production was estimated at about the 1948 level, or between 80,000 and 90,000 tons. Some 600,000 acres were under planting about two-thirds of which represented trees of tapping age. Of the total of more than 95,000 tons exported in 1948 about 75,000 tons went directly to the United States, while in 1949 direct exports to the United States through October represented only about one-fourth of the total.

### Cinemas in Thailand

The opening of the Sri Rajawongse Theatre on November 1, 1949, and the reopening of the completely renovated Capitol Theatre on February 12, 1950, raised to 10 the number of first-run movie houses in Bangkok exhibiting United States films. Of these 10, however, 2 occasionally show Siamese and Chinese pictures. In addition, there is 1 first-run house devoted exclusively to Chinese films.

The first-run theatres in Bangkok have a total seating capacity of 13,020. Only one is air-conditioned, although the Capitol was redesigned with a view



to using air-conditioning equipment, and it is understood that contractual arrangements with distributors call for installation perhaps within 1 year. An average of 28 shows per week are presented at the first-run houses at prices ranging from 12 baht to 3 baht. (1 U.S. dollar=12.50 baht at official rates).

Fifteen other theatres in Bangkok (including the municipality of Dhonburi, across the river) exhibit United States films. These theatres have a total seating capacity of 10,364. In addition, there are 55 theatres throughout the Provinces with a combined seating capacity of approximately 35,000, making the total capacity for the country about 58,400. This figure, however, does not include theatres devoted to 16-mm. films. Although there is a considerable volume of business in 16-mm. films, no reasonably accurate estimate can be obtained of the number of theatres.

Comparatively little competition for United States films has developed. The British film industry has some representation through Eagle-Lion, and a number of Chinese films, principally from Hongkong, have appeared. In addition, an occasional Siamese film or Soviet production is shown. No French, Italian, or other Continental European pictures have appeared commercially.

#### Burma's Rice

Latest official estimates place over-all paddy production for 1948-49 at 5,317,800 long tons, compared with 5,435,000 tons for 1947-48, and 3,775,652 tons for 1946-47. At an estimated conversion rate of 74 tons of rice and rice products for each 100 tons of paddy, 3,935,000 tons of rice and rice products were obtained in 1948-49.

Rice-milling capacity, although partially restored, is still much less than prewar. Many plants were destroyed during the war campaigns in Burma, and those that survived are by and large poorly equipped and badly maintained. Scarcity of spare parts, mill-stones, and replacement equipment has seriously retarded rehabilitation, and has hampered the effort to reduce milling wastes and restore the prewar rice-milling rates. Although Burma has more plants today than it had 10 years ago, rice-milling capacity in 1949 was 5,500,000 long tons, as compared with prewar capacity of 10,000,000 tons.

The small mills special, a short grain with 38 to 42 percent broken, white broken, and Sughandi, a long-grain rice, comprise the bulk of Burma's rice exports, which for the calendar year 1949 totalled 1,214,330 tons, including 1,175,202 tons of rice and 39,128 tons of bran.

Shipments by country of destination generally followed the trends of previous periods, with India and Ceylon purchasing the largest quantities. Exports were made in accordance with the International Emergency Food Council's recommendations regarding quantity and destination, which the

Government considered too inflexible and as forcing Burma to confine its rice exports primarily to India, Ceylon, and Malaya. Since rice has become Burma's only export, Burma insisted on greater leeway in developing other trade contacts with rice as the medium of exchange. During the second half of 1949, the IEFC (International Emergency Food Commission) adjusted the allocations to permit Burma to broaden its market.

#### Nationalization of Inland Water Transport in Burma

The Inland Water Transport Nationalization Commission, which had been appointed in Burma to decide the question of compensation to the Irrawaddy Flotilla Co., has awarded the owners £309,173 as compared with their original claim of £1,451,731 and the Government of Burma's counter offer of £306,910. The Commission's award, however, failed to provide a final settlement, for both parties are planning to appeal the decision to the Supreme Court. The company considers the compensation wholly inadequate, while the Government of Burma considers the method of compensation, which provides for payment in pounds sterling or other convertible currency, impractical. The Government desires, instead, to pay the former owners in Burmese Government bonds.

#### Rice Production of Malaya

Production of rice in Malaya in the 1949-50 season is officially estimated at 400,000 tons as compared with an output of 307,180 tons in the 1948-49 season.

Imports of rice into Malaya in 1949 amounted to 409,577 tons. Requirements for 1950 are estimated at 400,000 tons. Of Malaya's total rice production in the 1948-49 season, the Government was reported to have purchased 85,000 tons at prices sufficiently high to provide an incentive to production.

Imports plus a portion of 1948-49 production, or 494,577 tons, constituted the Government-rationed supply in Malaya in 1949.

#### Pepper Exports from Malaya

Exports of black pepper from Malaya in 1949 totalled 3,310 tons as compared with 4,692 tons in 1948, a decrease of more than 29 percent. During 1949 Malaya's best customers for black pepper were the Netherlands, which took 1,031 tons or 31 percent of the total exports (918 tons or about 20 percent in 1948); Brazil 302 tons or 9 percent (231 tons or 5 percent in 1948); British countries in Asia, bought 282 tons or about 9 percent (64 tons or 1 percent in 1948); and Italy 281 tons or 8 percent (521 tons or 11 percent in 1948). In 1949 the United States ranked fifth as a buyer of black pepper from Malaya accounting for 138 tons or 4 percent as compared with a total of 1,360 tons or 29 percent in 1948, when the United States was Malaya's best customer.

Total exports of white pepper from Malaya in 1949 amounted to 1,605 tons, a decline of 55 percent as compared with 3,593 tons in 1948. Of the total 1949 exports, the Netherlands took 523 tons or 33 percent (899 tons or 25 percent in 1948); Union of South Africa, 230 tons or 14 percent (111 tons or 3 percent in 1948); Australia 197 tons or 12 percent (377 tons or 10 percent in 1948); and the United Kingdom 121 tons or about 8 percent (1,012 tons or 28 percent in 1948). Shipments of white pepper to the United States, which amounted to 63.50 tons or 4 percent of the total 1949 exports, were reduced 37 percent below the 1948 figure of 100 tons.

#### Malayan Iron-Ore Shipments to Japan

Malayan production of iron ore increased to 8,018 long tons in the fourth quarter of 1949 as compared with a total of 372 tons in the three preceding quarters of the year. All of the ore produced in Malaya is exported to Japan in accordance with the SCAP-negotiated contracts to supply the Japanese iron and steel industry.

All of Malayan iron-ore production is presently concentrated in the deposits of the Bukit Besi mine located at Kuala Dungun in Trengganu State on the east-central coast of Malaya. Malayan iron-ore resources were one of the principal suppliers of the Japanese iron and steel industry in the prewar years with Japanese interests operating the British-owned mines on lease. These deposits were the source of almost one-half of the total iron-ore imports in Japan over the years 1935-41.

#### Superphosphate Industry of the Philippines

The National Development Co. of the Republic of the Philippines is studying plans to organize a firm to be known as the Philippine Chemical Corporation to undertake development of a large-scale superphosphate industry. The corporation will be capitalized at \$2,500,000 to \$3,500,000 and will be managed by private interests. The proposed plant is expected to make 45,500 tons of fertilizer annually and to be capable of a 50-percent increase on a double daily shift. Operations are scheduled to start about a year after work begins on the project.

#### New Brewery in Manila

Construction of a new brewery plant having bottling facilities, a warehouse, and an office building, and costing more than 1,000,000 pesos is being planned in Manila. The brewery, sponsored by the Halili Enterprises, is expected to be in production before the end of 1950.

#### Exports of Handicraft from Shanghai

Declared exports from Shanghai to the United States during 1949 included the following selected items: Cotton lace, cotton linen embroideries, cotton rag and hooked rugs, valued at approximately US\$1,500,000; silk embroideries and crochet rings, \$45,000; china and porcelain wares, stoneware,



earthenware, and soapstone ware, valued at \$260,000; wood manufactures valued at \$30,000 (including \$20,000 worth of furniture); paper paintings, toys, umbrellas, and lanterns, valued at \$10,000; ivory and manufactures, fur dogs, sandal-wood fans and shuttles, valued at \$10,000; jade ware, valued at \$8,000, and rosaries and beads valued at slightly under \$2,000.

#### Exports of Menthol Crystals from Tientsin

Exports of menthol crystals from Tientsin, during 1949 amounted to 43,954 quintals, or 3.57 percent of shipments of all products. (1 quintal = 220.46 pounds).

#### Exports of Crude Drugs from Shanghai

Declared exports of crude drugs to the United States in 1949 included the following items: Tea waste, 18,000 pounds, valued at \$1,040; rhubarb, 15,600 pounds, \$6,113; menthol, 84,200 pounds, \$667,587; and "Chinese" medicines, 2,990 pounds, \$1,793.

#### Wool Textile Situation in China

Recent press reports show equipment in the wool mills in China as follows: Woollen yarn spindles, 85,348; woollen cord spindles, 19,016; drawing mules, 30,060; drawing rings, 14,085, and looms, 2,082. Of this total the China Textile Industries, Inc., in Shanghai were said to represent 25,986 spindles and 276 looms.

Although data are not available on total output of the China mills, the China Textile Industries, Inc., have provided the following information on their operations in Shanghai: The mills operated at about 30 percent of capacity in the first 9 months of 1949, and produced 1,179,650 pounds of woollen yarn and 1,221,336 yards of woollen cloth. This compares with

3,156,457 pounds of woollen yarn and 2,338,964 yards of woollen cloth in 1948. Monthly maximum requirements of Shanghai mills were stated to be 1,376,325 pounds of tops, 1,330,875 pounds of wool, and 974,376 pounds of woollen yarn.

Imports of wool in 1948 totalled 5,278,308 kilograms, a drop of 19 percent from the 6,513,964 kilograms in 1947. In 1948 Australia and the United Kingdom each supplied 46 percent. Imports of woollen yarn and woollen cord amounted to 84,951 kilograms in 1948, less than 18 percent of the 480,293 kilograms imported a year earlier. In 1948 the United Kingdom furnished 29 percent and the United States 38 percent. Imports of woollen piece goods and other woollen manufactures of 393,360 kilograms in 1948 were about 12 percent of 1947. The United States and the United Kingdom each supplied 25 percent.

Exports of 3,844,649 kilograms of sheep wool in 1948 were more than double the 1,590,956 exported in 1947. In these 2 years 98 and 94 percent, respectively, went to the United States. Even larger exports were reported for carpet-type wool, 1,419,700 kilograms in 1948 against 597,400 in 1947. The United States received 93 percent.

Exports of goats' wool, camels' hair, and goats' hair for 1948, with 1947 in parentheses, were in kilograms: Goats' wool, 308,320 (421,934); camels' hair, 153,422 (178,029); goats' hair, 486,400 (329,300). The United States was the chief destination and the United Kingdom second.

#### Korean Handicraft

Korean handicraft production includes a variety of articles executed in designs and scenes typical of the locality. Among the items of inlay work are file and document boxes,

flower pots, cigarette cases, service trays, tobacco sets, and separate trays. Flower pots of porcelain, and brass, and lacquer flower vases are also produced. Annual production of most of these items amounts to 100,000 to 150,000 pieces; others range from 10,000 to 50,000 pieces. Designs include bear, deer, peacock, phoenix, and dragon, as well as the Korean flag.

Smaller amounts of the following items are produced: Pictures of native scenes and people; and such textile items as table cloths, napkins, runners, handkerchiefs, and towels.

#### Southern Korea's Tungsten Production

Southern Korea's increased tungsten output in 1949 was attributed to operations at the Sangdong mine, which accounts for most of the country's production. Korea's total production in 1949 amounted to 855 metric tons (WO3 content) compared with 747 tons in 1948.

The ECA mission to Korea recently issued a procurement authorization for the expenditure of \$334,000 at Sangdong for replacement of existing recovery facilities with modern equipment, which will eventually permit an approximate 100 percent increase in tungsten output. Since 1941, the equivalent of 7,430 metric tons of WO3 have been obtained from approximately 1,050,000 tons of crude ore at Sangdong.

#### Korea's Paper Production

Korean machine-made-paper production in 1949 totalled 8,419 metric tons, compared with 3,246 tons in 1948, as reported by Korea's 14 Government and 2 privately owned mills. Monthly production increased more or less steadily—from 219 tons in January to a peak of 1,290 tons in November. December production was more than 1,000 tons.



### Newsprint Developments in Japan

Japan produced 119,774 short tons of newsprint in 1949—an increase of 7 percent over the 111,799 tons produced in 1948. Effective production capacity in 1949 at 161,360 tons was the same as in 1948; installed capacity in both years was 221,000 tons. Imports were negligible in both years. The only exports in 1949 consisted of 840 tons of newsprint made from Soviet-area pulp shipped to Japan, and then “re-exported” to the U.S.S.R.

The outlook for the Japanese newsprint industry in 1950 is for higher production costs and a possible reduction in volume because of expected price increases in groundwood pulp and a continuing short supply of sulfite pulp. Although groundwood pulp supplies have been so plentiful that allocation and price controls were lifted in January 1950, prices of this raw material are expected to be higher because of drastically increased rates for electric power which went into effect in December 1949.

### Japan's Trade Arrangement with Burma

The finalization of the first formal postwar trade arrangement between Japan and Burma, covering the period January 1 to December 31, 1950, and expected to total approximately \$49,000,000, was recently announced by SCAP.

This trade arrangement provides that all trade shall be conducted in pounds sterling in accordance with the provisions of the Over-All Sterling Payments Agreement currently in effect between Japan and the sterling area, to which Burma is a signatory. It is agreed that each country will try to maximize the volume of trade at the highest practicable level with the objective of achieving a balanced trade during the period of the arrangement.

Subject to this consideration, Japan and Burma agreed to facilitate the flow of trade by conducting their trade in accordance with the principles of the General Agreement on Tariffs and Trade, exchange information on matters relating to trade between the two countries, and consulting with each other with respect to the possibility of developing trade on a multilateral basis.

It is expected that at least 75 percent of the total value of Japan's imports from Burma will consist of rice. Other important commodities which Burma plans to make available to Japan are maize, chickpeas, raw cotton, cotton seed, tung oil, sticklac, crude lacquer, teak, crude rubber, and other raw materials. Japan's exports to Burma include textiles, building materials, machinery and equipment, rubber manufactures, cement, bicycles, aluminum ware and aluminum sheets, and a large variety of other manufactured goods, with textiles and building materials expected to account for more than half of the total value.

### India Purchases from Japan

The Government of India has approved the expenditure of 950,000 rupees (1 rupee=US\$0.2087) for machinery from Japan.

Orders amounting to 360,000 rupees, have already been placed for treadle looms, job-printing, oil-processing, and textile machinery. This machinery will be sold to displaced persons (refugees from Pakistan) who desire to establish small-scale industries in India.

### Japan's Chemical Industry

The Japanese chemical industry can look forward to another good year in 1950, predicts the chief of the Industry Division, Economic and Scientific Section, SCAP. The coal situation has improved greatly, and electric power, although perhaps relatively more ex-

pensive, is certain to be more plentiful. Anticipated developments are summarized below.

Rehabilitation of the fertilizer industry will be culminated in 1950. Output of nitrogenous fertilizer is expected to total 1,450,000 metric tons. By January 1951 it is reasonable to expect that the industry will have attained a production rate sufficient to meet all demand and that further imports will be unnecessary. Imports of phosphate rock and potassic fertilizers will be needed as in the past, but manufacturers of superphosphates and nitrogenous materials will begin to seek export markets. Ammonium sulfate will be supplemented by increasing amounts of domestic urea and other nitrogenous compounds; supplies of pyrites and electric power are the limiting factors. Production of sulfuric acid in 1950 probably will exceed 2,850,000 tons.

Demand for soda products will continue to mount. Estimates by the Japanese Government indicate a probable 25-percent increase in production in 1950 over 1949. Consumption of caustic soda and soda ash is determined, however, to a large extent by the export situation, since these chemicals are used in textiles and ceramics for shipment abroad.

Despite a growing demand for chlorine, a byproduct of electrolytic caustic-soda plants, output may be limited by the power shortage. Greater use of chlorine in water purification and in making DDT, benzene hexachloride, and plastics is probable.

Production of coal-tar dyes is expected to total 7,000 tons in 1950. Imports will be about 150 tons (special dyes not made in Japan), whereas exports probably will reach 500 tons. The dye field is expected to expand production for cellulose nitrate and to begin large-scale production of pigmented dyes, used chiefly in printing



cotton fabrics. Total output of cellulose-acetate dyes will be about 5 tons (approximately 10 times the present rate). Production of pigmented dyes, now in the pilot-plant stage, probably will be about 20 tons in 1950. No raw material shortages are foreseen, and output of dyes can readily be expanded if the export market for them and for textile products is greater than anticipated.

Most of the insecticides needed in 1950 will be manufactured at home. Production estimates are, in metric tons: Lead arsenate, 3,850; calcium arsenate, 1,500; DDT concentrate, 1,000; benzene hexachloride, 800; and nicotine sulfate, 20. About 2,000 tons of lead arsenate will be exported. Output of the weed killer 2-4-D is expected to total 80 tons. Imports of insecticides probably will include derris root, nicotine sulfate, and experimental quantities of several recently developed agricultural chemicals. Nicotine sulfate production will be maximized, but imports will continue to be needed, as the raw material available—waste tobacco—is sufficient to make only a small proportion of requirements.

Camphor production estimates for 1950 are as follows, in metric tons: Crude camphor, 1,380; camphor oil, 1,620; and refined camphor, 900. It is planned to export about 550 tons of refined camphor in 1950. Approximately 35 percent of the crude camphor and camphor oil will be used to produce items for export, which, in addition to refined camphor, include celluloid, heliotropine, safrol, and borneol.

Experiments to improve the quality of vinyl acetate and vinyl chloride plastics continue. Although they are

not as good as the imports, marked improvement has been attained. When the quality is better, demand may be expected to increase and costs of production become competitive.

#### Japan's Green Tea

Japanese scientists have discovered that Japan's green tea is abundant in vitamin C. The vitamin contents remain rich after long storage. Almost no trace of vitamin C is found in other beverages, such as coffee, cocoa, black and Oolong teas. The amount of vitamin C in green tea is indicated in the accompanying table:

Type of tea	Vitamin C Content in Green Tea		Average
	Milligrams per gram)		
	Maximum	Minimum	
Machine-made			
sencha .....	5.29	0.79	2.79
Handmade sencha	5.26	.75	2.76
Gyokuro .....	1.86	.57	1.10
Powdered tea			
(tencha) .....	1.41	.70	.97
Curled-leaf tea	4.30	.99	2.33
Pan-fired tea .....	2.77	1.40	2.60

#### Fertilizer Requirements of Japan

Research on fertilizer requirements at Japanese agricultural experiment stations has shown that it is not possible to use the results (except in a general way) to determine the amounts necessary for maximum agricultural production. More precise estimates will not be possible until data from properly designed experiments are available. The Natural Resources Section, SCAP, plans to begin such experiments in the spring of 1950.

#### Production of Industrial Chemicals in Japan

Production of certain industrial chemicals in Japan in December 1949 (preliminary figures) was as follows, in metric tons, November totals in parentheses: Sulfuric acid, 245,366 (237,366); calcium carbide, 33,042 (35,474); salt, 24,480 (36,133); and soda ash, 12,465 (November figure not available).

Production in Japan of 792 metric tons of DDT concentrate in 1949 was nearly three times as great as in 1948. Consumption was approximately 850 tons—750 for public health uses and 100 as an agricultural insecticide.

#### Production of Glass Containers in Japan

Japanese production of glass containers in 1949 increased over the 1948 level, according to data released by the Economic and Scientific Section, Supreme Commander for the Allied Powers. Production of several types of glass containers, in metric tons, for 1948 and 1949 was as follows:

Type of container	1948	1949
Beer and beverage		
bottles .....	6,050	16,675
Glass food containers	20,004	33,003
Glass medical containers	34,701	43,369

#### Camphor Production of Japan

Production of crude camphor in Japan in December 1949 was 185 metric tons; output of crude camphor oil was 144 tons, and that of refined camphor, 55 tons. These figures represent increases of 31 to 72 percent over production in November, but were slightly less than output in December 1948.



## Hongkong Commodity Reports

(1 picul equals 133.3 lbs. HK\$ equals 1/3d or US 17½ cents)

### Cotton Piece Goods & Cotton Yarn

The momentary interest shown in Grey Sheeting at the opening of the market died down and for the rest of the week **Cotton Piece Goods** were inactive, with the exception of White Cloth which had a few transactions: Prices remained stationary except for Double Flying Dragon, Dragon Head, Prosperous, and Mammoth Bird Grey Sheeting which fell respectively to \$37, \$42, \$41 and \$40 per piece, and Nan Cheong White Cloth which dropped to \$42.50 per piece.

Cessation of buying of **Cotton Yarn** by dealers from the Philippines and Thailand caused a general fall in prices; local knitting mills were, however, active with purchases of Indian yarn

and some brands showed an increase: in 10's, Dawn Mills, with falling stocks, rose to \$645 per bale, Jayashankar Mills rose to \$640 and Kaleeswarar Mills to \$630 per bale; in 20's, Cambodia Mills rose to \$775 per bale, Dawn Mills sold at \$845, Kaleeswarar Mills at \$765, Let Century Progress at \$790, New Sun Mills at \$770, Rajalakshmi Mills at \$780 and Tug of War at \$810 per bale.

### Glass

In spite of relaxation of the restriction upon the importation of Glass into South China the market continued dull, buyers holding back on account of the high prices ruling. Except for French 200 ft. 24 oz., which rose to \$79 with a few transactions, other specifications showed a decline: 100 ft. 16 oz. shock proof packing from North China fell to \$24.50 per case and to \$24 for ordinary packing, while the forward price stood at \$22; French 100 ft. 16-18 oz. dropped to \$25 per case and the Czech make to \$25 and \$24 forward.

### Cement

Holders of stocks of Cement from Poland and Indochina endeavoured to unload them on the market in view of considerable arrivals from Japan at a lower price; sales of the Polish product in particular, however, were few on account of its loss of quality through storage, in spite of being offered at \$4.70 per 1 cwt. bag; Indochina Dragon brand was quoted at \$5.80 per 1 cwt. bag and at \$5 per 94 lb. bag, the ex-godown price being \$4.90 per 94 lb. bag; Japanese 100 lb. bags sold at \$5 per bag, ex-ship being offered at \$97 per ton and the c.i.f. forward price being \$95 per ton; Tientsin Horse brand sold at \$6.20 per 1 cwt. bag and ex-godown tonnage packing at \$120 per ton; Danish Bate brand white cement fell to \$13 per 1 cwt. bag, the c.i.f. price being \$243 per ton; Emeraldcrete

rapid hardening cement (Green Island) sold at \$7.70 per 112 lb. bag against the official price of \$7.25, Emerald brand (Green Island) was offered at \$6.80 per 112 lb. bag (official price \$6.25) and the 94 lb. bag at the usual price of \$5.35; Snowcrete British white cement sold at the lower price of \$59 per drum of 375 lbs. nett (official price \$55); Snowcem British cement paint sold at the usual ex-godown price of \$58 per steel drum of 112 lbs. nett.

### Paper

Buyers from the Philippines, Penang and South Korea, as well as local interests, were in the market for Paper and consequently several items showed an increase; **Newsprint** in roll, however, in spite of several transactions fell in price, 52 gr. 31 in. selling at 32 cents per lb. and 52 gr. 43 in. at 31½ cents, while 30 in. and 42 in. fetched 31 cents per lb. Other prices were: **Art Printing Paper** 84 lbs. (British) \$82 per ream; **Bond Paper**, watermarked 32 lbs. white \$18.80 per ream, and unwatermarked 32 lbs. white \$17.50 per ream; **Cellophane** (British) 40 x 50 \$105 per ream; **Duplex Board** 240 lbs. 52 cents per lb., 215 lbs. 50 cents and 200 lbs. 45 cents per lb.; **M. G. Sulphite Paper** 40 lbs. 35 x 47 \$19.60 per ream, **Manifold Paper** 22 x 34 16 lbs. (Swedish) white \$11 per ream, 16 lbs. coloured \$12.20 per ream, 16½ lbs. blue wrapper \$11.20 and 16 lbs. white \$10.80 per ream; **Strawboard**, yellow, No. 8 (Taiwan) \$310 per ton and No. 10-16 (Holland) \$330 per ton.

### Metals

North China interests were again in the market, after a considerable interval, for **Mild Steel Plates** 4' x 8' and the prices of several specifications showed an increase although a number of dealers preferred to hold on to their stocks in the hope of further improve-

### Urea Production of Japan

Urea has been produced in quantity in Japan since 1937. It has been made for fertilizer purposes since August 1948, when a plant with an annual capacity of 15,000 metric tons opened at Sunagawa, Hokkaido. Three other factories produce urea for plastics and five more have filed plans for installation of equipment to make the material.

However, lack of technical know-how has hampered low-cost production. On a nitrogen basis, costs are about 30 percent higher than for ammonium sulfate. Government assistance is supporting production of urea for fertilizer. Research and modernization programs are expected ultimately to lower costs, so that they will compare more favourably with those of the ammonium-sulfate industry.



ment: 1/32" fell to \$45 per picul, but 3/32" rose to \$38 per picul, 1/8" to \$28, and 5/16 to \$29; other prices were: 1/16" \$37 per picul, 3/16," 1/4" and 3/8" \$28 per picul, 1/2" and 5/8" \$36 per picul; 4' x 6' 1/4" stood at \$34 and 5/16" and 3/8" at \$33 per picul. North China buyers as well as dealers from Taiwan were also interested in Galvd. Mild Steel Sheets and a number of transactions took place: in the thin quality, Japanese 3' x 7' G30 fetched \$6.80 per piece and 3' x 6' rose to \$5.70, while Belgian 3' x 7' sold at \$7 per piece; in the thick specification Japanese 3' x 7' G24 fell to 40 cents per lb., while G26 rose to 50 cents and G28 to 56 cents per lb., and European 3' x 8' G24 stood at 41 cents and G26 at 48 cents per lb.

Locally made Wire Nails, enjoying the benefit of lower duty rates under Imperial Preference, were active, Philippine buyers being in the market. Prices during the week were as follows: G15 1" and G24 1 1/2" fell to \$43 per picul, G13 1 1/2" and G12 1 3/4" stood at \$40, G11 2", G10 2 1/2" and G8 3" rose

to \$40, G7 4" to G5 6" rose to \$42 per picul; Czech 1 1/2"-3" in kegs (250) rose to \$40 and the Dutch make to \$39.50 for spot, while the Polish forward price was \$37; the local make G17 1" to G14 2" was offered at \$48 per picul. Wire Rods were active, sales being made at low prices in order to get a quick turnover: British 1st quality 3/16" sold for \$24.50 per picul and 7/32" and 1/4" for \$24; French 2nd qual. 3/16" and 7/32" fetched \$18 per picul, and 1/4", 5/16" and 3/8" were offered at \$17 per picul.

Zinc Sheets showed an upward trend, particularly noticeable in the Polish specifications, the indent prices of which had been increased as follows: G5 to £124 per ton, G6 to £131 and G9 to £121 per ton. Prices at the close were: 3' x 8' G4 \$125 per picul, G5 \$110, G6 & G7 \$105, G8 \$123; Belgian G2 rose to \$135 and G5 to \$112 per picul. Zinc Sheets (used) also rose to \$70 per picul. Aluminium Sheets, due to the arrival of supplies from Japan, remained dull: British 22 1/2" x 30 1/2" G32 was quoted at \$1.60 per lb.,

4 x 8' G16 stood at \$1.70, G18 and G20 at \$1.75, while Japanese 4 x 8' G16 was offered at \$1.50, G18 and G20 at \$1.60, and G22 at \$1.70 per lb.; until the demand from China improves present stocks can find little outlet.

#### Gunny Bags

The presee of North China dealers in the market actively negotiating for Gunny Bags caused the spot price of Indian Heavy Cees 29 x 43 2 1/2" lbs. 2" green (new) to rise to \$3.03 each as compared with \$2.98 a week earlier, but holders were reluctant to part with their stocks to any large extent in anticipation of a further increase, shipments from India being somewhat uncertain; the forward price for June shipment increased to \$2.80 each. Old bags 1st quality rose to \$2.10 and 2nd qual. to \$1.85 each. Old bags (plain) 40 x 28 2 1/4" 1st qual. sold at \$1.80, but 2nd qual. dropped to \$1.50 each.

The price of Indian jute twine stood at \$140 per picul for 3 ply x 90" reel of 820 lbs. per bale and \$138 per picul for 4 ply x 90" reel.



**Rubber**

Large-scale North China and South dealers from North China and South Korea caused an increase in prices on the local market: Smoked Rubber Sheets 1st qual. sold at \$195 per picul, 2nd qual. at \$190, 3rd qual. at \$180 and 4th qual. at \$178. Sole Crepe Rubber remained steady at \$275 for No. 1 and \$265 for 2 q.; Pale Crepe stood at \$170 for 1 q. and \$155 for 2 q.; Pale Crepe Ends were quoted at \$155 per picul.

**Vegetable Oils, Ores & Other China Produce**

The price of **Tungoil (Woodoil)** again fell on the local market as a result of various causes such as price declines abroad (USA buying offer c. & f. US 22 cents per lb., offers from Europe £185 per long ton c.i.f.), large quantities arriving from the National Oil & Fat Corp., and reduced buying by local exporters: Tungoil (concentrate) was offered at \$158 picul while three-day forward stood at \$156. The price of **Teaseed Oil** 4% acid, on the other hand, rose to \$148 per picul and \$147 per picul for one-week forward, as a result of irregular shipments from China and increased prices at the supply sources; these prices, however, were considered high and comparatively few transactions took place; buying offers from Europe fell to £180 per ton c.i.f. Activity was shown in purchases of **Aniseed Oil** 15% for export and the price rose to \$620 per picul. **Cassia Oil** 85% also showed an increase to \$1600 per picul, the USA buying offer c. & f. remaining at US\$2 per lb. Although no shipment of **Cottonseed Oil** has arrived for some time past there were few dealings in a lot placed on the market at \$118 per picul. **Rapeseed Oil** 4% acid remained at the earlier price of \$95 per picul.

The price of **Tungsten (Wolfram) Ore** 65 deg. (China) advanced with demands

from exporters to Japan and Great Britain, but supplies were insufficient to fill requirements: standard quality sold at \$275 per picul and 80% of 65 deg. at \$220, while the South Korean product improved to \$255 per picul. **Tin Ingots** showed a decline with the arrival of supplies of Marked Banker 99.75% from Singapore which sold at \$565 and \$560 per picul; Kwangsi (Hoyuen) 99% fell to \$560 per picul and later to \$550, Yunnan 99% also fell to \$550 per picul. China Tin 60% on the other hand, with uncertain supplies, rose to \$360, and 50% and 40% for soldering to \$320 and \$270 per picul respectively. China **Pig Lead** 99% also showed an improvement, rising to \$95 per picul. A demand for **Copper Ingots** (melted from Kwangsi copper coins) from USA and Indian buyers led to transactions at \$101 and \$100 per picul. A shipment from Hunan of China **Antimony** that was placed on the market was reduced to \$158 per picul, no buyers being found at the earlier price of \$160.

The withdrawal of the Nationalist armies from islands off the China coast led to a hope that the blockade would soon be raised, with an improvement in supplies of produce from China, and induced local dealers to release their stocks of **Cassia Lignea**, with a consequent further lowering in price: West River Cassia Lignea 60 catty packing fell to \$36 per picul and the West River product in bulk to \$28, although the West River 84 catty remained at \$42 per picul; Tunghing Cassia Unscraped was offered at \$68 per picul and the Wuion 1st quality at \$265; Cassia Whole Tunghing and West River Cassia Whole remained at the earlier prices of \$78 and \$65 per picul respectively. **Aniseed Star** although showing some activity, fell in price, Nanning 1st qual. fetching \$86 per picul and 2nd qual. \$70. Gallnuts also show-

ed a decline, Szechuan 2nd qual. and the Liuchow product falling to \$112 per picul each and the Korean product to \$105 per picul. **Ramie** was dull, the West River product falling to \$180 per picul with a slackening of the demand from Japan although the Szechuan quality with some transactions rose to \$175 per picul. **Hankow Lime Cubes**, with arrivals from Central China and an inactive market, fell to \$21 per picul. **East River Rosin** with fresh supplies arriving also fell to \$27.50 per picul.



# HONGKONG INDUSTRIAL CHEMICALS REPORTS

Although prices somewhat advanced, yet they are still much below indent prices. Therefore South East Asia demands are plentifully on the market. For instance, if USA origin caustic soda solid is exported to Australia, a rather heavy import duty is levied however, if it is exported to the Philippines it will be treated at most favored rates. On the same principle, English origin exported to Australia, Malaya, etc. will enjoy preferential treatment too. Basing upon the above conditions the market has shown improvement. Since the market of caustic soda became firm and upward, the other scarce items were also absorbed by speculators and exporters. It is expected that most chemicals will follow the "King of Chemicals" (caustic soda solid), up or down. Now caustic soda solid has risen so much, the other items are expected not to drop again. Furthermore, some dealers show optimism which is due to the liberation of Chusan Islands, as the marine communication between Hongkong and Shanghai will not be so difficult as before. However, at the moment the chemical price at Shanghai is still low and it is not workable to import from Hongkong. It is surprising that caustic soda solid was sold by Shanghai exporters, but aniline oil which is unprofitable if bought from Hongkong now was absorbed by Shanghai buyers. Although in the past few months a small quantity was shipped to Central and North China, the stock there will gradually decline, yet many dealers wonder whether the purchasing power in China is strong and whether the USA or English or French origin chemicals are so easily imported from Hongkong as before. They consider that if Red China will closely co-operate with Russia, those chemicals which are also produced in East Europe will not be approved for import or reduced to the lowest quantity to be imported from Hongkong. From every angle it is hard to determine the future business prospect with China now.

**Caustic soda solid.** Rather big business was recorded. USA origin 700 lb drums sold firstly lowest \$79 per drum up to lately \$100. The ICI brand 300 kg drums lowest \$85 per drum and up to \$100 too. Since the market is active, all the importers are still suffering heavy loss and if not in need of money or storing space will not sacrifice their stock. Therefore the supply position became somewhat tight, and market was gradually upward. **MBT.** Market down but more export demands. English Monsanto 224 lb metal drums sold from \$1.30 per lb down to \$1.12, whereas the USA origin Cyanamid 100 kg fibre drums sold as low as \$1.50 per lb. **DPG.** USA origin Cyanamid 100 kg fibre drums sold \$1.50 per lb too, but only one or two buyers. **Bleaching powder 35%.** As many big orders came from abroad for towels and shirts, it indirectly stimulates the local bleaching industry. Recently these small factories are rather prosperous. Red Heart brand 50 kg drums sold between \$23.50 and \$26 per drum according to

quantities. A lot of USA origin 43 lb drums sold at \$7.75 per drum. **Bleaching powder 70%.** USA origin 130 lb drums sold a few lots price ranging from \$1.45 to \$1.50 per lb. At the end of last week a fresh shipment arrived. However, the price is steady as this price is not profitable to the importers. **Zinc oxide.** Moderate business. South Africa origin 50 kg bags white seal sold 58c, per lb, whereas the Japan origin 50 kg metal drums sold 20c. higher. **Paramin wax.** Moderate export demands. AMP 128/135 100 kg machine sown mouth gunny bags sold \$47 per picul. The AMP 143/150 nine slabs to one carton was about \$54, and AMP 160/165 of the same packing is about \$61.50 per picul. Notwithstanding inquiries for the last two items, substantial business is not yet concluded. **Sodium sulphide solid.** Market quiet with occasional business only. ICI Chinchin brand 5 cwt drums sold from \$380 per long ton down to \$360. However, for Double Key brand 6 cwt drums the sellers asked \$400. It is evidently unworkable as the Chinchin brand is more famous than others. Notwithstanding the superior quality, the brand is the reputation and value.

**Lithopone.** Scores of tons business was recorded. Market became firm with somewhat upward tendency. 560 lb wooden barrels sold from 22½c. per lb up to 24c., and the 50 kg or 25 kg bags sold from 23c. per lb up to 24c. too. All are of German origin. **Sulphur powder.** Although fair business was recorded, yet most part is absorbed by speculators. It is not so active as previous weeks. The market is tired. At the moment it is expected not to drop much more again, however, it is unable to advance for a considerable time in the future due to heavy stock. USA origin 100 lb paper bags sold a few lots; price see-sawing between \$6.40 and \$6.80 per picul. **Potassium chlorate.** After USA origin 20 lb metal drums sold 39c. per lb, the sellers asked for 42c. The Japan origin 50 kg cases is about 37c. The market is quiet but with steady tone. **Cocconut oil.** Singapore about 400 lb drums sold \$114 per picul, and now is a few dollars cheaper. **Sodium bicarbonate.** Market quiet and easier. France origin 100 kg bags sold small lots at \$26 per bag; if larger quantity may be available cheaper. The ICI Crescent brand 100 kg gunny bags sold a big lot at \$31.90 per bag. **Sodium hydrosulphite.** Exported to Siam. Very big business about one hundred tons was done. No preceding business as large as the past two weeks was recorded since 1945. Notwithstanding this, the market is still at standstill without upward trend due to quite heavy stock. USA origin 250 lb drums sold a lot at \$140 per picul, and English origin 1 cwt drums sold \$116 only. The big business was done in France origin 1 cwt drums which was sold at \$115 per picul. **Phenol.** The low price has excited local consumers. USA origin 200 lb drums sold from 72c. down to 70c. lowest, and 448 lb drums Australia origin sold lowest 67½c. per lb up to 70c. now. Considerable business done.

**Soda ash.** Export demand for ICI 90 kg gunny dense grade which sold large quantity from \$26.25 to \$26.60 per bag. The stock of ICI Magadi 90 kg bags and Crescent brand light grade 70 bags is quite short. Magadi is about \$26 per bag. Continuous demands by local and Macau consumers for the USA origin dense grade 100 lb paper bags which stock is quite short was sold from \$13 per bag up to \$15 now. **Citric acid.** English origin 1 cwt plywood drums crystal form sold some lots ranging from \$1.20 to \$1.23 per lb. However, some small lots asked for \$1.10 only. **Calcium carbonate.** Japan origin light grade 50 kg bags sold scores of tons from \$280 per metric ton down to \$270. The market is considered to be at standstill. **Glacial acetic acid.** Export demand from Korea. Market seemed active. Both Italy origin 25 kg and Dutch origin 20 kg carboys are of the same price. The lowest is 43c. per lb, the highest 50c. Many contracts were signed in the past two weeks. The future market is anticipated to be upward a little or at least steady. **Formalin.** Local consumers bought 448 lb drums at 27c. per lb up to 28½c. **Shellac.** In the past few months almost every item of chemicals has declined with few exceptions one of which is shellac. Now shellac also followed to drop. The superior No. 1 quality sold \$320 per picul and the No. 2 quality about \$300. **Sodium peroxide.** It is used for bleaching purposes. When it is hydrolysed hydrogen peroxide gas evolves and caustic soda remains in solution. Some inquiries on the market. As stock is short, the seller asked as high as \$1.70 per lb. The indent price of English 50 kg drums is about 90c. per lb. **Extract of quebracho.** Small business was done. Crown brand 105 lb bags sold \$77 to \$78 per bag. If loose packing will be sold lower. **Extract of mimosa.** Elephant brand 112 lb bags sold small lots at \$45.50 per bag. Market dull. **Aniline oil.** Shanghai buyers interested. Australia origin 448 lb drums sold firstly 68c. per lb, and then the USA origin 450 lb drums at 66c. The 250 kg drums at 65c. only.

**Sodium silicate.** Price slid down a little with the exception of Crescent brand 340 kg drums which sold up to \$120 per drum now. The France origin 330 kg drums firstly sold \$109 down to \$101 per drum only. **Potassium bichromate.** Small lots sold for German origin 700 lb barrels of crystal form at 75c. per lb. **Sodium bichromate.** Moderate business was recorded, as price is too low. Market spoiled as never in the past fifteen years. Australia origin 560 lb drums sold around 28c. and 29c. per lb. **Glycerine.** Price slid down to \$1.10 per lb for the Dutch origin 250 kg drums of BP quality. **Silver nitrate.** Its present indent price for Scale brand 1 lb bottles is \$47 per bottle. Ready stock is sold about \$50. **Vaseline.** There was a distress lot of snow white grade 400 lb drums at 41c. per lb only. **Sulphur black.** National's No. 693 100 catty drums now is sold at \$185 per picul only. Very few inquiries. **Ammonium bicarbonate.** Occasional business was done. Either English or



## Hongkong's Trade in Vegetable Oils (Continued)

### Tungoil (Woodoil), in Bulk

In the "Far Eastern Economic Review" No. 10 of March 9 (p. 321), figures were given of Hongkong's trade during 1949 in Tungoil in drums. Through an oversight, however, it was omitted to mention that cargo in bulk would be covered in a later issue. Details are now published of Hongkong's trade in Tungoil in bulk.

Poland origin 100 kg drums sold around \$63 per drum. **Mercury.** Japan origin 76 lb iron bottles sold a lot at \$525 per picul. **Talc powder.** Korea origin 50 kg paper bags sold a lot at \$180 per metric ton. **Nitric acid.** USA origin 57 lb carboys was sold a lot at 59c. per lb. **Menthol.** A few lots of Shanghai products, 12 x 5 lb tins to one case, were sold around \$62 per lb. **Ferric chloride.** English origin 100 kg drums sold 31c. per lb. **Zinc chloride.** English origin 1 cwt drums sold \$770 per long ton. **DNCB.** No business recorded for several months. Last week one odd lot was sold at 23c. per lb for the USA origin Monsanto 600 lb drums. The indent price was about \$1.10 per lb. **Polystyrene.** USA origin Monsanto 250 lb fibre drums of various colours bead form sold a lot at \$2.40 per lb.

Altogether, dealings in Tungoil both in drums and in bulk during the year totalled 722,542 piculs valued at \$96,418,113. Imports came to 288,498 piculs \$36,847,792 and exports to 434,044 piculs \$59,570,321, or an export excess of 145,546 piculs valued at \$22,722,529.

	Imports	
	Piculs	\$
Tungoil in drums ....	244,985	31,238,677
Tungoil in bulk .....	43,513	5,609,115
	288,498	36,847,792
	Exports	
	Piculs	\$
Tungoil in drums ....	150,209	20,842,513
Tungoil in bulk .....	283,835	38,727,808
	434,044	59,570,321

Hongkong's trade in Tungoil in bulk for 1949 amounted to 283,835 piculs to the value of \$38,727,808; imports were 43,513 piculs valued at \$5,609,115 and exports 283,835 piculs at \$38,727,808, showing an excess of exports over imports of 240,322 piculs to the value of \$33,118,693. This excess of exports is principally accounted for by the quantities smuggled into the Colony as each important point was taken by the Communists in their drive south, and later by determined efforts to avoid the strict controls enforced by the new regime.

The only imports recorded during the year, 43,513 piculs (\$5.6 million) came from South China. Exports went mainly to the United Kingdom 137,124 piculs (\$18.46 m.) and U.S.A. 128,479 piculs (\$18 m.), while Germany took 10,168 piculs (\$1.19 m.).

The following table gives fuller details, together with imports and exports monthly:—

Tungoil (Woodoil) in Bulk			
	Imports		
	Piculs	\$	
South China .....	43,513	5,609,115	
	Exports		
	Piculs	\$	
United Kingdom .....	137,124	18,460,263	
U.S.A. ....	128,479	18,005,865	
Germany .....	10,168	1,195,436	
Holland .....	7,224	945,918	
Norway .....	840	120,326	
	283,835	38,727,808	
	Monthly		
	Piculs	\$	
January	5,449	664,845	42,660 5,527,347
February	7,739	955,739	7,560 962,800
March	11,561	1,370,329	22,730 2,809,766
April	3,766	394,615	8,666 1,006,852
May	9,402	1,328,154	40,139 4,877,238
June	—	—	24,163 2,995,188
July	—	—	24,821 3,179,238
August	—	—	18,816 2,389,408
September	—	—	37,802 5,545,077
October	5,596	895,433	50,786 6,337,903
November	—	—	3,754 711,069
December	—	—	1,938 345,920
	43,513	5,609,115	283,835 38,727,808



## FINANCIAL REPORTS

## PHILIPPINE FINANCIAL REPORT

Comparative Statements of Conditions of the Central Bank:

ASSETS	As of	As of	As of
	Dec 31, 1949	Jan. 31, 1949	Feb. 28, 1949
(In thousands of pesos)			
International Reserve	460,689	442,432	441,999
Contribution to International Monetary Fund	30,000	30,000	30,000
Account to Secure Coinage	113,306	113,306	113,306
Loans and Advances	77,047	83,374	85,451
Domestic Securities	92,197	96,774	104,649
Other Assets	20,390	25,248	25,462
	793,629	791,136	800,868
LIABILITIES			
Currency: Notes	555,576	540,849	541,577
Coins	74,384	74,723	77,966
Demand Deposits: Pesos	117,682	128,571	130,328
Securities Stabilization Fund	2,000	2,000	6,848
Due to International Monetary Fund	22,498	22,497	22,497
Due to International Bank for Reconstruction and Rehabilitation	2,389	2,389	2,389
Other Liabilities	2,636	2,942	6,354
Capital	10,000	10,000	10,000
Undivided Profits	6,464	7,161	1,291
Surplus	—	—	1,616
	793,629	791,136	800,868

## CONTINGENT ACCOUNT

Forward Exchange Sold	6,460	6,460	6,000
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The continuous decline in the International Reserve seems to have come to at least a temporary halt during the February period. This was not unexpected and perhaps March will see an increase in this reserve as more export dollars from shipments made in December accrue to the Central Bank of the Philippines. (Shippers are given 90 days in which to sell their product and return the dollar proceeds to the Philippines.)

Other Liabilities have been increased nearly Pesos 3,500,000. This increase represents funds held in trust by the Central Bank of the Philippines for the Philippine Government.

Gold acquired during the month under the recent ruling that 25% of all newly mined gold must be sold to the Central Bank, amounted to some Pesos 30,000,000.

The silver-coin situation has improved slightly as far as withdrawals from the banks are concerned. However, all banks report that no silver coin is coming in. The Central Bank continues to push the use of nickel and copper coins.

## HONGKONG FREE MARKET

**GOLD:**—Last week's highest & lowest rates per .945 fine tael \$274—266, equiv. to .99 fine tael and .99 fine oz prices of \$287.04—278.66 and \$238.54—231.58 respectively. Week's opening price \$272¼, closing 270%. Crosses US\$38¼ high, 38 low.

Macao and Canton prices per .99 fine tael HK\$284—277 and \$267—258 respectively.

Gold forward interest in favor of sellers totaled 39 c. per tael (annual yield approx. 7%).

Forward contracts: 297,500 taels (.945 fine), or daily average 49,600. Position left open per average day 177,400 taels. Gold exporters and Shanghai operators unloaded part of overbought position, local and Canton operators covered, Swatow operators added some amounts to their oversold position, interest hedgers joined in overselling and acquired cash bars for obtaining increased interest on forward market.

Cash (spot) sales totaled 45,300 taels, of which 33,010 officially listed in Exchange, balance negotiated unofficially. Interest hedgers took 39,000 taels, the rest (6300) acquired by exporters.

Total exports during the week 6300 teals, shipped to Bangkok 3500, Singapore 2800. Differences paid for .99 fine bars from \$13.50—12.20 per tael. Macao direct exports were nil.

Imports totaled 5500 taels (from North China 1800, Taiwan 3200, Canton 500). In recent weeks many travelers brought into Hongkong gold ornaments (usually .99 fine jewelry of crude workmanship) which, in the aggregate, amounted to considerable value. Shanghai quotes, on black market, around HK\$165 per oz (=PB\$980,000); gold can be bought very easily in Shanghai as no serious attempt is made by the authorities to check on such activities. Local goldsmiths have purchased large quantities of Shanghai immigrants' or traveling traders' gold ornaments, as a consequence their stocks increased and they turned sellers in the Exchange.

## Highest &amp; lowest .945 fine tael and TT New York prices:—

May	Gold		US\$	
	high	low	high	low
15	274	271¾	614½	612½
16	272	269	612	611¼
17	272	267	611½	609½
18	268¾	266	611½	610
19	270	267¼	612½	610½
20	271	269¾	613¾	612½

**Silver:**—Prices per .99 fine tael \$4.81, per silver dollar coin \$3.02—3.07, per 20 c. coins \$2.45. Business transacted last week: 85,000 taels in weight (mostly in coins). Imports very small (but individually carried coins, by passengers, amounted to several thousand pieces). In Shanghai dollar coin fetched only an equiv. of HK\$1.70.

**US\$:**—Highest & lowest prices per US\$100, in HK\$:—notes 608—603¼, DD 611½—606¾, TT 614½—609½, crosses US\$2.603—2.625. Business done US\$ 700,000 in TT, and 655,000 in drafts and notes. Japan account US\$ was quoted at par with TT New York; as a result of Hongkong Govt lifting control, as far as exchange allocation is concerned, on Japan imports, the unofficial market in Tokyo account US\$ will cease.

**Chinese Exchange:**—Chinese currency quoted here around HK\$16.85 per PB\$ 100,000 (at par with official rate). Canton's black market has practically come to a standstill as very few transactions take place. Gold transfers with Shanghai quoted from 78—80½ per 100 in Shanghai.

**Bank Note Rates:**—Highest & lowest rates of last week in HK\$ (per one unit except for piastre, guilder and baht when per 100 units):—piastre forward 12, Nica guilder 4—3½, Java Bank guilder 2—1½, baht 27—26.40. London 15.45—15.23, Australia 12.65—12.55, Canada 5.41—5.40, India 1.06½—1.06, Burma .79½—.79, Ceylon .97, Malaya 1.83—1.82½, Philippines 2.40—2.32 (about 20% below US\$ parity on local free market; in Manila, however, US note fetches about 2.20 pesos, i.e. 10% above official price—US\$1=2 pesos).



## Hongkong Share Yields Attract

Last week's market remained remarkably steady, with prices fairly well maintained. A small amount of forced selling at fractional falls has been met by willing buyers. The impression among brokers is that the investing public is beginning to appreciate the attractive yields offered by a number of local shares. More interest has also been shown in rubber companies, although local prices have yet to reflect the high profits believed to be in course of being earned, since the recent rise in the price of the commodity.

Prices at the close of the week were as follows:—

Stock	High \$	Low \$	Sales \$
H.K. Govt. Loan 4%	98	—	—
Hongkong Bank ....	1240	1240	80
Bank of East Asia ..	101	—	478
Union Ins. (x.d.) ..	540	540	134
Canton Ins. (x.d.) .	280	—	10
Asia Navigation ..	.70	.65	15,000
Indochina Navigation-Deferred	191	—	100
Wheelock Marden ..	21	21	4,900
H.K. & S. Hotels ..	8¼	8¼	1,700
Shanghai Lands ....	1	1	4,500
Humphreys Estate ..	8	8	1,150
Trams .....	11¼	11¼	7,600
Lights, old .....	10¼	9.90	9,525
" new .....	6.90	6.80	1,806
Electrics .....	22¼	22	2,200
Telephones .....	14	13½	1,100
Dairy Farm .....	32	32	1,550
Watson's .....	22¼	22¼	4,223
China Emporium ..	9¼	9½	1,650
Kwong Sang Hong ..	90	90	10
Shanghai Loan ....	1	1	4,500
Shanghai Docks ....	2¼	2¼	4,900
Yangtze .....	2¼	2.60	4,000
Ewo Cotton Mills ..	1.70	—	2,700

## HONGKONG OFFICIAL EXCHANGE RATES

Agreed merchant rates of H.K. Exchange Banks Association as from May 11:—

	Maximum Foreign Currency per HK\$	Selling HK\$ per Foreign Currency unit	Minimum Buying	HK\$ per Foreign Currency unit
London	1/2 15/16	16.066946	1/3 1/32 T.T. 1/3 1/16 O.D. 1/3 3/32 30 days. 1/3 1/8 60 & 90 days. 1/3 5/32 120 days.	15.966736 16.933610 15.900621 15.867768 15.885573
East & South Africa	1/2 15/16	16.066946	1/3 1/8 O.D. if under L/Credit 1/3 3/8 O.D. without L/Credit 1/32nd. up every 30 days.	15.867768 15.802469
West Africa & West Indies	1/2 15/16	16.066946	1/3 5/16 O.D. if under L/Credit 1/3 3/8 O.D. without L/Credit 1/32nd. up every 30 days	15.673469 15.609756
India	82 15/16	1.2057272	83 15/16 T.T. 84 3/16 O.D. 84 5/16 7 & 30 days. 84 7/16 60 days. 84 9/16 90 days.	1.1913626 1.1878248 1.1860638 1.1843079 1.1825573
Aden	82 15/16	1.2057272	84 9/16 O.D. if under L/Credit 84 11/16 O.D. without L/Credit 85 3/16 30 & 60 days.	1.1825573 1.1808118 1.1738811
Burma	82 15/16	1.2057272	84 1/8 T.T. 84 3/8 O.D. 84 1/2 7 & 30 days. 84 5/8 60 days. 84 3/4 90 days.	1.1887033 1.1831852 1.1834320 1.1816839 1.1799410
Pakistan	57 1/2	1.7391304	58 3/16 T.T. 58 1/4 O.D. 58 3/8 30 & 60 days.	1.7185822 1.7167382 1.7130621
Malaya	53 1/16	1.8845699	53 9/16 T.T. & O.D. 53 5/8 30 days. 53 3/4 60 days.	1.8669778 1.8648019 1.8604651
New York	17 7/16	5.7347670	17 5/8 T.T. & O.D. 17 11/16 30 days. 17 3/4 60 & 90 days.	5.6737589 5.6537102 5.6338028
Canada	19 1/8	5.2287582	19 3/8 T.T. & O.D.	5.1612903
Australia	1/6 9/16	12.929293	1/6 15/16 T.T. 1/7 O.D.	12.673267 12.631579
New Zealand	1/2 15/16	16.066946	1/3 1/4 T.T. 1/3 5/16 O.D.	15.737705 15.673469

Sterling selling rates for delivery within two months with a cut 1/32nd. for every further three months forward.



## Exports of Hongkong Manufactured Commodities

## Under Imperial Preference Certificate or Certificate of Origin

During April, exports of locally manufactured goods exported from Hongkong under Imperial Preference Certificate or Certificate of Origin amounted in value to \$16,221,142, an increase of \$4.4 million over the figure for March (\$11.73 m.), of 7.2 m. over February (\$9 m.), and of \$6.5 m. over January (\$9.7 m.).

Knitted wares continued to take first place with exports amounting to 164,909 doz. valued at \$3.5 m., followed by shirts & clothing 52,244 doz. \$2.69 m., rubber shoes 1.07 m. pairs \$2.05 m., cotton yarn 1,177 bales \$1.5 m. and enamelwares 203,662 doz. \$1.17 m. Comparative figures of the chief items exported during the first four months of 1950 are given below:—

	April m.	March m.	February m.	January m.	Monthly Average 1949
Knitted wares .....	\$3.51	\$2.66	\$1.86	\$2.07	\$0.64
Shirts etc. ....	2.69	1.28	.52	.62	.50
Rubber Shoes .....	2.05	2.31	1.31	1.97	1.11
Cotton Yarn .....	1.52	.87	1.51	.50	.24
Enamelwares .....	1.17	.64	.52	.69	.71
Cotton Piece Goods .....	.95	.72	.81	1.03	1.53
Flashlights .....	.82	.65	.52	.33	.52

Exports to the United Kingdom under Imperial Preference Certificate came first with a total value of \$8.4 m., an increase of \$2.3 m. or 38% over March (\$6 m.); India followed to the value of \$1.66 m. (March \$733,631), the West Indies were third with \$962,148 (March \$388,055) and Australia fourth with \$903,486 (\$868,585).

## Imperial Preference Certificates and Certificates of Origin issued for month of April 1950

	Quantity	HK\$
Knitted Wares	164,909 doz.) 13,000 yds.)	3,516,467
Shirts, & Clothing	52,244 doz.	2,692,592
Rubber Shoes	1,071,961 pairs	2,062,041
Cotton Yarn	1,177 bales	1,527,065
Enamel Wares	203,662 doz.	1,171,833
Cotton Piece Goods	774,121 yds.	953,147
Flashlights Torches	41,518 doz.	820,230
Towels	39,775 doz.	478,460
Umbrellas	7,687 doz.	213,397
Matches	9,533,000 boxes	198,580
Socks	29,300 doz.	187,770
Buttons	7,047 gr. grs.	170,122
Printed Paper	51,030,000 sheets	120,671
Hurricane Lamps	7,312 doz.	119,829
Bulbs for Flashlights	2,611,390 pieces	112,560
Camphor Tablets	35,000 lbs.	102,087
Embroidery	495 doz.) 32,400 pairs)	97,614
Feathers	110 piculs	92,796
Rattan Ware	303 bales ) 8,375 sets ) 3,608 pieces)	92,621
Watch Bands	7,415 doz.	92,315
Rattan Cane & Peel	573 bales ) 2,520 catties)	77,584
Glassware	48 lbs. ) 10,757 doz.) 650 gross)	76,095
Vacuum Flasks	1,497 doz.	76,027
Silk & Mill (Art.)	20,740 yds.	68,441

Hats & Caps	7,333 doz.	67,867
Firecrackers	790 cases	67,249
Cosmetics & Perfumery	50 lbs.) 18,423 doz.)	61,328
Leather Shoes	3,196 pairs 300 pieces	55,648 54,120
Toys	3 sets ) 16,706 doz.)	53,600
Gourmet Powder	63 doz.	53,515
Groundnut Oil	264 piculs	50,520
Kerosene Lamps	3,324 doz.	45,880
Handkerchiefs	9,750 doz.	40,804
Leather Wares	2,979 doz.	40,765
Table Clothes	2,040 doz.	35,484
Ropes	30,555 lbs.	31,217
Hardware	761 doz. ) 12 rolls ) 3,000 sq.ft.) 22,054 gross)	28,734
Batteries	18,476 doz.	26,461
Seagrass Twine	383 bales	25,448
Needles	7,700,000 pieces	25,275
Pencils	3,650 gross	25,275
Plastic Ware	1,370 doz. ) 12 sets )	24,475

The monthly value of Locally Manufactured Goods exported under Imperial Preference Certificate and Certificate of Origin from November 1949 to March 1950 was as under:—

November, 1949 .....	\$7,458,229
December, 1949 .....	8,758,255
January, 1950 .....	9,704,802
February, 1950 .....	9,060,934
March, 1950 .....	11,733,148
April, 1950 .....	16,221,142

The main items of Locally Manufactured Goods exported under Imperial Preference Certificate and Certificate of Origin from November 1949 to March 1950 were:—

November, 1949	
Rubber Shoes .....	1,259,916
Enamel Wares .....	1,047,740
Flashlight Torches ....	968,110

December, 1949	
Rubber Shoes .....	2,107,645
Knitting Wares .....	1,402,199
Enamel Wares .....	1,055,535

January, 1950	
Knitted Wares .....	2,070,644
Rubber Shoes .....	1,972,990
Cotton Piece Goods ....	1,035,604

February, 1950	
Knitted Wares .....	1,869,857
Cotton Yarn .....	1,513,747
Rubber Shoes .....	1,317,143

March, 1950	
Knitted Wares .....	2,661,253
Rubber Shoes .....	2,312,984
Shirt & Clothing .....	1,283,095

April 1950	
Knitted Wares .....	3,516,467
Shirt & Clothing .....	2,692,592
Rubber Shoes .....	2,052,041

Canned & Preserved Foods	19,807 lbs.	23,717
Camphorwood Chests	284 pieces	18,936
Mats & Matting	200 bales ) 3 crates)	16,714
Proprietary Medicines	6,790 doz.	15,883
Mosquito Destroyer	41,800 boxes	15,615
Fish & Fishery Products	2,484 catties	14,098
Shoe Laces	3,015 grs. prs.	13,466
Machinery	4 sets	10,000
Electrical Accessories	894 doz.	8,671
Iron, Charcoal	177 doz.	7,003
Bean Stick	1,030 lbs.	2,495
Rubber Wares	920 doz.	2,254
Soap	48 gross	1,843
Candies	7,990 doz.	1,658
Ginger Preserved	2,400 lbs.	1,200
Paints, Varnish & Lacquer	450 lbs.	732
Cutlery	48 pieces	196
Jewellery	3 pieces	124
Total		\$16,221,142

## Shipped To

	\$
United Kingdom .....	8,408,714
India .....	1,667,278
Br. West Indies .....	962,148
Australia .....	803,486
Br. West Africa .....	896,671
Br. Commonwealth, Other	604,616
Malaya .....	604,281
Union of South Africa .....	481,016
Ceylon .....	404,190
Br. East Africa .....	203,577
Thailand .....	200,321
Egypt .....	156,202
Pakistan .....	154,663
Port. East Africa .....	120,537
Central America .....	114,066
New Zealand .....	100,263
North Borneo .....	96,115
Syria .....	68,013
North Europe .....	46,063
Burma .....	18,844
Iraq .....	9,065
China .....	510
Total .....	\$16,221,142



## Conditions in Canton

(By a Correspondent in Canton)

Many Chinese businessmen insist that economic stabilisation in Kwangtung has been achieved and that reduction in commodity prices brought about a change in popular sentiments. Without doubt, prices have fallen considerably, but wages decreased in the same ratio as they are based on parity deposit units and NOT on foreign exchange rates.

At the beginning of February the parity deposit unit stood at PB\$8,244 against the official HK\$ TT rate of 4,300. At the beginning of May the parity deposit unit was set at PB\$6,500 only, but the official HK\$ TT rate was advanced to 6,000. In other words, people who believed in parity deposit units lost about 20% in three months, and those who continued to keep Hongkong currency gained almost 40%. At the beginning of this year the parity deposit unit was even over 10,000.

Black exchange markets continue doing very small business but since the beginning of this year, there are only sellers of foreign currencies with no buyers at all. The black market did not disappear on account of the so-called realistic financial policy of the Chinese authorities, but on account of an outspoken expropriation policy as, with business at a standstill and high overhead expenses, businessmen had to convert their available funds of foreign exchange into People's Dollars in order to meet ruthless taxation demands and other levies forced upon them.

Canton's income tax for the second half of 1949 totalled HK\$12,000,000 (i.e. PB\$30 billion at the official TT rate of 2,500 at the end of January 1950) and that for the first half of the current year amounts to HK\$16,000,000 (i.e. 80,000,000 catties of rice at the govern-

ment price of 20 Hongkong Cents or 1,200 PB\$). In December last year Canton's firms had to contribute to the Loan of the People's Government which was repaid in February this year with a loss of about 40%. And in March they had to subscribe substantial sums for Victory Bonds. It is clear that these and other levies (commodity tax, 5% registration fees on the capital of all commercial enterprises) cannot be covered out of profits in each and must necessitate realisation of commodities at reduced prices as well as of holdings in foreign currencies.

As to the future "prosperity" of Hongkong, it is pointed out by Cantonese merchants, that socialist states through their state-operated companies and trade representations abroad (see USSR) tend to contract on governmental basis thereby eliminating profits of private dealers.

## Economic Developments in Taiwan

**Foreign Trade.**—Chinese Imports: It was announced that the Ministry of Finance has ruled against reducing duty charges on Chinese merchandise imported into Keelung that was evacuated to Hongkong prior to the communist takeover of the mainland.

**March Exports:** It was reported that total exports from Taiwan in the month of March amounted to the equivalent of US\$8,404,359. Of this total sugar exports accounted for 95%, being valued at the equivalent of US\$7,996,801. (In quantity, this would be the equivalent of about 80,000 tons of sugar at prevailing prices. In the month of February it was reported that 84,000 metric tons of sugar were shipped to Japan).

**Imports of Cigarettes and Liquors:** The Provincial Tobacco and Liquor Monopoly Bureau has announced that it will import cigarettes, foreign liquors, and Japanese beer for a period of 5 months. At the same time local production of these items is to be increased in order to meet the demand. (No indication was given, however, as to overseas sources of supply for imports of cigarettes and liquors).

**Stimulation of Exports:** Local exporters are now surrendering the required 20% of their exchange proceeds at the foreign exchange certificate rate (currently NTY8.00 to US\$1). Prior to March 2, the Bank of Taiwan had been purchasing such exchange at the official rate of NTY5.00 to 1 US dollar. This action was taken to stimulate local exports.

**ECA Imports:** The first shipment of ECA crude oil amounting to 11,000 tons (one-third of that authorized) was delivered in Keelung on April 25.

**Korean Trade:** It was reported that a Sino-Korean trade pact is now in the final stages of discussion.

**Banking and Finance.**—Loans and Exchange Allocations: The Provincial Production Board's Industry and Banking Subcommittee made the following foreign exchange allocations ending April 25: To government enterprises: US\$12,870 plus \$122,378 as Japanese barter credits. On the same day this Subcommittee approved US\$28,778 in exchange to a private textile mill for the purchase of Japanese looms.

On April 28 the Provincial Bank Loan Examination Committee approved 192 long-term loans totalling NTY3,658,000 (equivalent to US\$457,250 at prevailing foreign exchange certificate rates) and 155 short-term loans amounting to NTY2,285,600 (equivalent to US\$285,700).

Foreign Exchange Certificate rates: On April 29 the Provincial Government established new rates for foreign exchange certificates as follows: NTY8.00 to the US dollar (unchanged); NTY1.33 to the Hong Kong dollar; and NTY21.28 to the pound sterling.

US Dollar Deposit Notes: It was reported that the Bank of Taiwan on May 1 began selling new US dollar deposit notes—at a rate of NTY8.35—to all applicants on the same day that requests were made. Beyond the fact that the sale of such notes was to be handled by branches of the Import Export Guild in the future, no further information concerning these deposit notes was available at this time.

Silver: The Chinese Government reported that it had removed 203,000 shih taels of silver from its Hongkong stocks to Taiwan during the week under review with more to follow.

Note Issue: On April 30 it was reported that new Taiwan Yuan note issue totalled NTY196,608,269 exclusive of subsidiary notes and coins.

Industry:—Imports of Certain Textiles Opposed: The Taiwan Mechanized Textile Industrial Guild has opposed further imports of towels, socks, and undershirts on the grounds that local plant capacity is sufficient to meet the demand.

Agriculture.—According to the Provincial Government press, the distribution of 62,000 metric tons of ECA fertilizer for the first rice crop has been completed. The announcement reports that half of the Government's order of 600,000 tons of fertilizers for the second crop has already been delivered.

Commodities.—Rationed rice continued to be sold at NTY0.76 per catty of 1.323 pounds while its open market price remained unchanged at NTY1.15. Flour was down to NTY1.40 per kilo-

gram. The sale of beef was resumed on April 28 as the Government declared the rinderpest epidemic was over.

### Peking's Exports to U.S.

Consular declared exports from Peking to the United States for the year 1949 were valued at US\$348,248.52. Of this amount, over half was shipped in the last quarter, declared exports from this port to the United States from October through December being valued at US\$178,529.24. In comparison, declared exports from Peking to the United States from January through December 1948 were valued at US-\$383,070.64. Whereas the shipment of bristles was the leading export item in 1948, there were no exports of this item at all during 1949, thus indicating that bristle exports were being shipped through Shanghai and Tientsin. The declared export value of the more important items are given in the following table for the two years:

Export Item	1948		1949	
	Declared Value	Percent of Total	Declared Value	Percent of Total
Brass ware .....	\$ 65,214.96	17.0	\$ 89,099.39	25.6
Bristles ..... 1/	81,420.80	21.2	—	—
Copper ware .....	48,961.91	12.8	65,814.45	18.9
Jewelry .....	25,130.15	6.5	8,054.24	2.3
Paintings .....	12,415.24	3.2	26,308.69	7.5
Porcelain ware .....	23,249.44	6.1	43,410.29	12.5
Rugs .....	8,276.47	2.2	24,306.32	7.0
Wooden articles .....	15,695.22	4.1	25,188.93	7.2
Totals .....	\$280,364.29	73.1	\$282,182.31	81.0

1) Represents the total shipped from January-September 1948; no declared exports of bristles reported thereafter. 2) 1948 figure is for "Oriental carpets, hand-loomed."



## China's Bristles

### Bristle Export Industry Nationalization

The following regulations governing the export of bristles have been announced by the East China Foreign Trade Control Bureau:

#### ARTICLE I: GENERAL REGULATIONS

1. The operational procedure has been drawn up in accordance with rule 8 of the provisional regulations governing nationalization of export of hog bristles in the East China zone.

2. With the exception of other conditions laid down in the provisional regulation nationalizing exports of hog bristles, export shipments of hog bristles from the China zone will be placed under the control of the China Bristle Processing Corporation.

3. The areas in which the corporation will control exports of hog bristles include Shantung, Anhwei, Kiangsu, Chekiang, and Fukien.

#### ARTICLE II: PROCEDURE FOR PURCHASE

4. In accordance with rule 2 of the provisional regulation nationalizing exports of hog bristles, the China Bristle Processing Corporation will purchase only those hog bristles which are qualified for export. Hog bristles of 40 or 70 percent, with a length of 2 1/4" from the end of the bundle, are considered as up to the standard for export.

5. Hog bristles exceeding 40 or 70 percent, in quantities forming a ready batch of 25 boxes, may also be purchased, if and when there are demands from overseas markets.

6. The essential item for the corporation to purchase is hog bristles in length equal to the measurement of a No. 17 assortment. Proportionate quantities of shorter bristles also may be purchased. The shortness, however, must not exceed half the measurement of the No. 17 assortment.

7. The proportion of measurement for bristles of mixed and loose varieties after being packed in assortment boxes may be fixed in accordance with the method laid down in the preceding rule.

8. Hog bristles below 40 percent or over 40 percent and hog bristles over 70 percent in quantities not sufficient for forming a full batch may be taken over, as a temporary measure, by the corporation if possessors desire to dispose of their holdings on or before February 28, 1950.

9. The percentage of standardizing bristles of genuine 40 percent and 70 percent will be defined as follows: For bristles of genuine 70 percent, each bundle must contain 70 percent of first group, 20 percent of second group and 10 percent of third group, and for bristles of genuine 40 percent, each bundle must consist of 40 percent of first group and 30 percent each of second and third groups.

10. The first group will contain 50 percent of bristles of 1/16" over the genuine measurement, 40 percent of bristles of genuine measurement, and 10 percent of bristles below but not exceeding 1/16" in shortness. Each of the first and second groups will contain 60 percent of bristles of 1/16" over the genuine measurement and 40 percent of bristles below the genuine measurement, but its shortness must not exceed 1/16".

11. In order to encourage increase of production and improve the quality of hog bristles, the corporation will award prizes to factories who deliver over 300 quintals a year and whose products are welcomed by foreign importers.

12. Hog bristles produced outside the East China territories and which have been either stored in or recently shipped to the East China zone may, upon request of the owners, be purchased by the corporation.

#### ARTICLE III: PURCHASE PRICE

1. The corporation will fix and announce the purchase price daily according to the market quotations ruling inside and outside the country. The purchase price will provide the factories with a profit in accordance with rule 3 of the provisional regulations nationalizing the export of bristles.

2. For fixing the purchase price for loose varieties of hog bristles according to their measurements the following is the method of calculation on the basis of the scale of prices fixed according to the measurement of the bristles prepared for assortment boxes. The price for 1 quintal of hog bristles in loose varieties will be equal to the price for

300 kilograms of bristles of 2 inches prepared for assortment boxes. The same is true for 225 kilograms of bristles of 2 1/4 inches, for 150 kilograms of 2 1/2 inches, for 120 kilograms of 2 3/4 inches, for 90 kilograms of 3 inches, for 75 kilograms of 3 1/4 inches, for 60 kilograms of 3 1/2 inches, for 52.5 kilograms of 3 3/4 inches, for 45 kilograms of 4 inches, for 37.5 kilograms of 4 1/4 inches, for 30 kilograms of 4 1/2 inches, for 22.5 kilograms of 4 3/4 inches, for 18.75 kilograms of 5 inches, for 15 kilograms of 5 1/4 inches, for 15 kilograms of 5 1/2 inches, and for 15 kilograms of bristles of 6 inches.

3. The prices for hog bristles of over 40 percent or 70 percent will be fixed according to the merits of each case.

4. In addition to the purchase price, packing allowances will be granted to hog bristles which have been packed in intact cases delivered to the corporation.

5. Hog bristles which are the products of places outside the East China zone and which have been stored in or have recently been shipped to the East China area will be granted transport charges in addition to the purchase price.

#### ARTICLE IV: APPOINTMENT OF SELLING AGENTS

1. The corporation will appoint a number of export agents who must have the following qualifications:

a. Licensed factories or import and export firms which have performed transactions in hog bristles during the past 3 years.

b. They must have handled exports of over 300 quintals of hog bristles a year.

c. The value of hog bristles which were exported by them must have been over US\$ 100,000 a year.

d. The firms or factories must prove they have been efficient in handling exports of hog bristles to European and other countries.

The responsible personnel and the trademark of the firms or factories must possess a reputation in foreign countries. Firms or factories are required to produce documentary evidence to substantiate this.

2. Qualified agents are required to provide shop guarantee.

3. The corporation has the right to terminate the services of any agent who may be found to handle exports inefficiently.

4. Agents may tender resignations, if they do not desire to handle exports on behalf of the corporation any further.

5. In case agents have terminated their services under the conditions laid down in rules 19 and 20 above, they and their guarantors will be held responsible for any questions concerning transactions in hog bristles which the agents performed at the time of the validity of the contracts of appointment.

6. Agents who have sold hog bristles in intact cases to the corporation will be granted top priority to handle the export of the consignment concerned.

7. Agents who perform their duties must adhere to the following conditions: Obtain the approval of the corporation before they are allowed to send samples and quote selling prices, conclude a separate agreement with the corporation before they sell each consignment, prepare letter of credit in the name of the corporation (if the agents are able to provide collateral security or have obtained the approval of the corporation, they may be allowed to make the letter of credit in their own names).

8. The commission must not exceed 2 percent of the value of the hog bristle consignments (payment of the commission will be made in notes of the People's Bank).

9. Agents may ask the corporation for refund of freight, customs duty, insurance fees, and other charges (cost of telegrams and correspondence, however, must be borne by the agents).

10. The corporation has the right to use its own trade-mark, unless it considers the original trade-marks affixed by the agents may be preserved.

11. It is the duty of agents to report overseas quotations to the corporation from time to time.

12. The corporation has the right to appoint proper merchants as temporary agents upon the recommendation of its ordinary agents. These regulations are to be effective from the date of approval by the authorities concerned.

### Increase in Use of Short Length and Dyed Bristles

The monopolization of the Tientsin bristle exports by North China authorities has narrowed the profit margin to Chinese dealers dressing bristles, and resulted in the closing of privately owned dressing godowns. The China authorities, inexperienced in the bristle trade, do not inspect adequately. With current small profit margins, a great incentive reportedly exists for dressers to mix dyed bristles with the natural blacks in making up assortments.

Under normal prewar procedures, white, gray and yellow bristles were dressed separately. Present high prices of black bristles places a premium on the deliberate dyeing of lighter ones and mixing them with natural blacks. White, gray, and yellow bristles accumulated for dyeing are estimated to average 2 to 5 percent of the total black bristles expected to be exported in 1950.

Principal Shanghai bristle shipments to the United States are the Shanghai No. 17, 40-percent tops; Hankow assortments Nos. 5 and 17; Chungking assortment No. 27; and Tientsin assortment of short 55's. This corresponds roughly to the prewar pattern. The quality, however, has decreased owing to careless inspection and poor dressing, resulting in a lower percentage of tops.

The North China foreign exchange regulations do not provide facilities to pay claims for inferior cargo. These regulations also require the exclusive use of inspection certificates of the commodity testing bureaus. Oversea buyers are not allowed to select their own exporters or to have bristles inspected by private firms.

Total prewar world demand for bristles was 6,000 tons, of which China supplied 73 percent. The United States, China's principal market, received 30 to 50 percent of China's exports. Britain received about 20 percent; Germany, France, and Japan each received between 5 and 15 percent; and other countries, the remainder.

### Bristle Imports in 1949 by the United States

Imports of bristles for consumption in 1949 totalled 4,819,058 pounds, compared with 7,333,814 pounds in 1948, a decrease of 2,514,756 pounds.

Although bristle exportation from China has been nationalized, and United States imports decreased 2,672,000 pounds in 1949 from 1948, an embargo on such exportation to the United States is not indicated. Instead, there appears to be a temporary lag in exports from China to this market while a rechanneling of exports through Hongkong and the U.S.S.R. takes place. Indications are that Chungking, Hankow, and South China bristles will be exported from Hongkong, and large amounts of Tientsin, Tsingtao, and

### Imports into Singapore & Malaya

As a member of the currency group comprising the United Kingdom and dependent territories, Malaya is required, for balance-of-payments reasons, to restrict its imports, especially of hard-currency goods, even if the latter are shipped via another member of the sterling area. These restrictions apply less to commodities essential to the rehabilitation and economic life of Malaya than to luxury and other goods which are available in adequate quan-

other North China bristles will be sent to the U.S.S.R. for reexport to the United Kingdom and the United States.

The Shanghai bristle trade is recovering from effects of the blockade much sooner than others. In July 1949, Shanghai's 112 bristle-processing plants were closed; in August, 11 were reopened; and by late September, 57 plants were in operation.

ties from other hard-currency sources. Essential commodities which are difficult to obtain in the requisite volume may be admitted freely from all sources, including hard-currency areas. A list of such commodities appears as List No. 1.

Limited amounts of certain other commodities of hard currency origin may be imported, and include goods entering into the Malayan re-export trade to neighboring territories, since this trade results in a net gain of hard currency to Malaya. As a rule, such commodities appear as List No. 2 and List No. 3.

Goods of non-sterling origin may be imported from Hongkong provided that payment is made through a bank to Hongkong in a sterling area currency. The issue of licenses to import such goods from Hongkong will not authorize license-holders to arrange for funds to be remitted beyond Hongkong. Such

goods must be invoiced from Hongkong under bills of lading issued in Hongkong.

At present, the hard currency countries for import license purposes are: American Account Countries (i.e., Liberia, Republic of the Philippines, United States Dependencies, Bolivia, Colombia, Costa Rica, Cuba, Dominican Republic, Ecuador, Guatemala, Haiti, Honduras (not British), Mexico, Nicaragua, Panama, Salvador, and Venezuela); The Argentine Republic; Belgium, including Luxembourg, Belgian Congo and the mandated territory of Ruanda Urundi; Canada; Iran; Japan and adjacent islands under SCAP control; Korea; Netherlands West Indies; Paraguay; Switzerland and Liechtenstein; Trizonia (the French, United Kingdom, and United States Zones of Germany); Uruguay; and the United States.

List No. 1 includes those commodities essential for the rehabilitation and economic life of Malaya, and which are difficult to obtain in adequate quanti-



ties. These items may be freely imported from all sources, including hard currency sources.

List No. 2 contains items which will be permitted under periodic quotas.

List No. 3 includes those goods the importation of which from hard currency sources is otherwise restricted.

Note: Each of the above lists is subject to alteration from time to time.

As a rule, any commodity not specifically mentioned in this Guide must be treated as being prohibited from hard currency sources.

#### LIST NO. 1

##### Free Imports

Carbon Black, Gas, Freon, Hog Casings, Iron, Hoop, Nails, Wire, Oils: Fuel Oil, Lubricating Grease; Optical Lenses (white) except Bifocals, Rubber Samples, Steel Strapping, Superloid (Ammonia Alginate), Wire Products: Brass Wire, Brass Gauze, Steel Wire (for Bicycles), Stitching Wire, Wire Mosquito Netting, Zinc Sheetting.

#### LIST NO. 2

##### Imports Under Quota

Lubricating Oil—to prewar importers able to prove local sales during the year April 1947 through March 1948.

Photographic Roll Films, Film Packs and Plates—to manufacturers agents only.

Typewriters—to prewar importers on a quarterly quota on the basis of imports in 1947 and the first half of 1948.

#### LIST NO. 3

##### Restricted Imports

Machines and Equipment, etc.—Accounting, Adding and Calculating Machines—on the merits of each case. Air Conditioning Equipment—on the merits of each case. Engines, Internal Combustion—on the merits of each case. Generator Sets—on the merits of each case. Machinery and Machine Parts—on the merits of each case. Machines, Weighing—on the merits of each case. Motors, Electric—on the merits of each case. Pumps—on the merits of each case. Refrigerators, Electric—commercial types of over twenty (20) cubic feet only. Tractors and Earth-moving Equipment—on the merits of each case.

##### Miscellaneous:—

Arms and Ammunition—except sporting ammunition other than .22 center fire and .300 rimless cartridges. Asbestos Fibre—on the merits of each case. Asphalt and Bitumen—on the merits of each case. Books and Magazines: (a) Technical; (b) Periodicals, (i) To recognized booksellers in respect of a few listed periodicals and (ii) To any genuine private subscriber for any periodical other than Comics and other "Yellow" publications. Cinematograph (Films) (produced in or after the year 1936 for import on outright purchase)—As recommended by the Official Film Censor. Relevant contracts of sale should provide for the refund of the purchase price in the event the films imported do not pass for exhibition.

## Hongkong's Principal Trading Partners for February 1950.

During February 1950 Hongkong's trade in merchandise (excluding gold and specie) amounted to \$447,419,274, an increase of 50.6% over February 1949 but a drop of 20.3% compared with January 1950. An analysis of February's trade was given in the Review of March 30, No. 13, and in this issue are published tables giving details of the trade between Hongkong and the more important trading partners, while below attention is focussed upon some of the outstanding items in this trade and a comparison given with the January figures. Values are in Hongkong dollars (HK\$16 to £ and 17½ cents to US 1 cent); imports refer to imports into Hongkong and exports to commodities despatched from the Colony.

#### United Kingdom

Imports \$34.17 m. (January \$46.76 m.). Exports \$13.67 m. ( " \$ 7.84 m.)

Main increase in imports: electrical machinery \$3.55 million (January \$2.86 m.); chief decrease in imports: chemicals \$4.94 m. (\$6.64 m.), yarns and threads \$2.42 m. (\$5.37 m.), textile fabrics and small wares \$4.05 m. (\$5.87 m.), machinery \$1.86 m. (\$2.94 m.), vehicles \$1.85 m. (\$3.6 m.).

Main increases in exports: vegetable oils \$4.02 m. (\$819,255), clothing and underwear of textile materials \$4.02 m. (\$2.37 m.); decrease: footwear \$1.71 (\$2.09 m.).

#### Central China

Imports \$ 4.70 m. (\$ 9.71 m.)

Exports \$30.98 m. (\$29.98 m.)

Main export increases: feeding stuffs for animals \$4.69 m. (\$3.05 m.), oil-seeds \$1.37 m. (\$590,509); decreases: vegetable oils \$915,433 (\$1.05 m.), chemicals \$1.1 m. (\$1.55 m.), dyes \$765,446 (\$1.15 m.) fertilizers \$2.97 m. (\$2.13 m.), yarns and threads \$3.49 m. (\$4.44 m.), textile fabrics and small wares \$1.81 m. (\$3.52 m.).

Linseed Oil (boiled)—on the merits of each case. Menthol Crystals—as approved by D.D.M.S. Petroleum—on the merits of each case. Pharmaceuticals—as approved by D.D.M.S. Rosin—on the merits of each case. Scientific Instruments—on the merits of each case. Spare Parts for Equipment of Hard Currency Origin Only—on the merits of each case. Steel, Constructional—on the merits of each case. Tools, Engineers'—on the merits of each case. Tire, Cord—on the merits of each case. Valves and Valve Fittings (Wrought Iron)—on the merits of each case. Sodium Pentachlorophenate—on the merits of each case.

##### Optical Goods:—

Lenses (Colored)—on the merits of each case. Sunglasses With Plane Lenses Only (i.e., without refractive power)—As approved by the Government Ophthalmic Surgeon.

#### North China

Imports \$28.10 m. (\$35.61 m.)

Exports \$27.38 m. (\$41.61 m.)

Import increases: feeding stuffs for animals \$7.69 m. (\$1.46 m.), textile materials, raw or simply prepared \$1.63 (\$658,601), textile fabrics and small wares \$2.99 m. (\$2.84 m.), made-up articles of textile materials other than clothing \$1.17 m. (\$290,470); decreases: manufactured products of cereals \$251,000 (\$2.38 m.), fruits and nuts \$382,182 (\$1.59 m.), vegetables \$1.23 m. (\$2.48 m.), oilseeds \$1.3 m. (\$7.9 m.), yarns and threads \$1.64 m. (\$3.43 m.), miscellaneous crude or simply prepared products \$2.14 m. (\$8 m.).

Export increases: paper \$1.31 m. (\$1.1 m.), iron and steel \$3.68 m. (\$2.77 m.); decreases: sugar and and sugar confectionery \$482,661 (\$976,588), chemicals \$3.3 m. (\$6.4 m.), dyes \$997,019 (\$3.59 m.), textile materials, raw or simply prepared \$5.67 m. (\$10.76 m.), products for heating and lighting \$1.46 m. (\$2.27 m.).

#### South China

Imports \$11.23 m. (\$ 6.25 m.)

Exports \$23.59 m. (\$21.80 m.)

Import increase: vegetable oils \$5.77 m. (\$867,333); decrease: live animals chiefly for food \$2.54 m. (\$3.35 m.).

Export increases: manufactured products of cereals \$1.77 m. (\$895,477), textile fabrics and small wares \$2.83 m. (\$2.17 m.), made-up articles of textile materials other than clothing \$3.12 m. (\$1.33 m.), products for heating and lighting \$3.34 m. (\$2.99 m.); decreases: chemicals \$920,666 (\$1.91 m.), dyes \$1.2 m. (\$1.58), paper \$1.79 m. (2.88 m.).

#### Macao.

Imports \$ 6.55 m. (\$ 6.77 m.)

Exports \$20.76 m. (\$27.39 m.)

Export increases: cereals \$1.74 m. (\$1.22 m.), tobacco \$1.77 m. (\$1.36 m.); decreases: fishery products for food \$1.1 m. (\$1.69 m.), manufactured products of cereals \$1.14 m. (\$1.39 m.), textile fabrics and small wares \$1.53 m. (\$3.03 m.), clothing and underwear of textile materials \$677,737 (\$1.04 m.), products for heating and lighting \$2.5 m. (\$3.77 m.).

#### Korea, South

Imports \$3.21 m. (\$7.26 m.)

Exports \$2.31 m. (\$5.88 m.)

Import decreases: fishery products for food \$2.49 m. (\$3.09 m.), miscel. crude or simply prepared products \$53,209 (\$2.46 m.).

Export decreases: paper \$510,477 (\$1.23 m.), yarns and threads \$867,315 (\$3.66 m.).

#### Korea, North

Imports \$ 3.94 m. (\$7.07 m.)

Exports \$525,076 (\$3.25 m.)

Import decreases: feeding stuffs for animals \$2.47 m. (\$4.11 m.), fertilizers \$902,000 (\$1.77 m.); export decreases: textile fabrics and small wares, nil (\$2.25 m.).

**Japan.**

Imports \$4.42 m. (\$ 3.26 m.)

Exports \$9.38 m. (\$10.7 m.)

Import increase: textile fabrics and small wares \$1.39 m. (\$1.23 m.) decrease: iron and steel \$100,207 (\$443,415).

Export increases: vegetable oils \$1.13 m. (\$8,150), oilseeds \$2.42 m. (\$1.38 m.), textile materials raw or simply prepared \$1.36 m. (\$549,132), manufactured articles \$1.07 m. (\$44,084); decrease: sugar and sugar confectionery \$809,308 (\$5.66 m.).

**Malaya**

Imports \$ 5.65 m. (\$10.04 m.)

Exports \$20.80 m. (\$26.01 m.)

Import increase: rubber \$1.26 m. decreases: wood \$988,070 (\$1.74 m.), textile fabrics and small wares \$1.18 m. (\$3.87 m.).

Export increase: machinery \$1.03 m. (27,735); decreases: fruits and nuts \$1.3 m. (\$2.32 m.), vegetables \$1.86 m. (\$3.43 m.), textile fabrics and small wares \$2.15 m. (\$2.63 m.), clothing and underwear of textile materials \$1.27 m. (\$1.41 m.).

**India**

Imports \$25.88 m. (\$39.83 m.)

Exports \$ 1.00 m. (\$ 1.63 m.)

Import increases: textile fabrics \$4.47 m. (\$3.58 m.); decreases: yarns and threads \$9.81 m. (\$17.07 m.), made-up articles of textile materials other than clothing \$8.38 m. (\$14.26 m.), products for heating and lighting \$99,140 (\$1.1 m.).

Export decreases: textile materials, raw or simply prepared \$330,827 (\$514,539), miscel. crude or simply prepared products \$40,976 (\$256,929).

**Thailand**

Imports \$7.54 m. (\$12.02 m.)

Exports \$5.81 m. (\$ 7.08 m.)

Import decreases: dyes, nil (\$944,792), manufactured articles \$5,400 (\$4.62 m.), rice \$3.51 m. (\$6.92 m.), wood \$664,140 (\$1.86 m.).

Export decrease: clothing and underwear of textile materials \$708,497 (\$1.04 m.).

**U.S.A.**

Imports \$49.25 m. (\$66.79 m.)

Exports \$10.54 m. (\$23.20 m.)

Import increases: fertilizers \$2.1 m. (\$1.41 m.), textile materials, raw or simply prepared \$5.84 m. (\$1.68 m.); decreases: manufactured products of cereals \$1.27 m. (\$2.12 m.), fruits and nuts \$2.93 m. (\$4.32 m.), tobacco \$2.24 m. (\$6.25 m.), chemicals \$5.54 m. (\$13.26 m.), dyes \$3.68 m. (\$4.75 m.), textile fabrics and small wares \$2.75 m. (\$3.3 m.), non-metallic minerals \$858,154 (\$2.02 m.), machinery \$2.5 m. (\$3.63 m.).

Export increase: non-ferrous base metals \$1.42 m. (\$1.28 m.); decreases: vegetables \$560,922 (\$1.08 m.), miscel. crude or simply prepared products \$1.97 m. (\$14.42 m.).

**Other Countries**

Below are given the more important items in the trade of Hongkong with some of the countries not included in the tables on the accompanying pages: Belgium, imports \$5.53 m. (\$2.39 m.), exports \$339,418 (\$660,172); main import, iron and steel \$4.2 m. (\$1.7 m.). Canada, imports \$2.49 m., (\$6.47 m.), exports \$624,807 (\$891,370); main import, manufactured products of cereals \$1.25 m. (\$3.15 m.). Czechoslovakia, imports \$1.74 m. (\$1.3 m.), exports, nil; main import paper \$831,056 (\$363,712). France, imports \$2.5 m. (\$3.47 m.), exports \$628,554 (\$346,146); main import, chemicals and pharmaceutical products \$934,253 (\$886,589). Germany, imports \$1.75 m. (\$1.67 m.), exports \$1.79 m. (\$1 m.); main imports, dyes \$854,895 (\$907,575); main exports, miscel. crude or simply prepared products \$1.02 m. (\$539,994). Holland, imports \$3.38 m. (\$4.68 m.), exports \$1.67 m. (\$1.64 m.); main imports, dyes \$653,958 (\$504,144), paper \$582,449 (\$438,977); main export, vegetables \$661,062 (\$3,9323. Italy, imports \$2.04 m. (\$3.11 m.), exports \$328,268 (\$674,478); main import, textile fabrics and small wares \$970,049 (\$1.65 m.). Norway, imports \$2.04 m. (\$3.28 m.), exports \$647,670 (\$111,110); main import, paper \$2 m. (\$3.24 m.). Sweden, imports \$2.18 m. (\$2.49 m.), exports \$692,472 (\$144,433); main import, paper \$1.69 m. (\$1.69 m. (\$1.83 m.). Switzerland, imports \$4.5 m. (\$6.25 m.), exports \$333,447 (\$68,951); main imports, manufactured articles \$3.96 m. (\$4.62 m.), dyes \$271,046 (\$944,792).



## Hongkong's Principal Trading Partners

TOTAL VALUES OF IMPORTS AND EXPORTS BY COUNTRIES  
FOR THE MONTH OF FEBRUARY, 1950.

UNITED KINGDOM			AUSTRALIA		
ARTICLES	Imports \$	Exports \$	ARTICLES	Imports \$	Exports \$
Meat and preparations thereof .....	—	180	Meat and preparations thereof .....	817,828	2,780
Dairy products, eggs and honey ...	109,398	404,003	Dairy products, eggs and honey ....	1,652,785	197
Fishery products, for food .....	54,721	—	Fishery products, for food .....	—	73,716
Manufactured products of cereals, chiefly for human food .....	242,126	—	Cereals .....	32	—
Fruits and nuts, except oil-nuts ...	13,571	—	Manufactured products of cereals, chiefly for human food .....	3,069,931	10,511
Vegetables, roots and tubers, chiefly used for human food and their preparations, n.e.s. ....	10,953	178,619	Fruits and nuts, except oil-nuts ...	22,472	4,718
Sugar and sugar confectionery .....	976,580	—	Vegetables, roots and tubers, chiefly used for human food and their preparations, n.e.s. ....	33,819	45,433
Coffee, tea, cocoa and preparations thereof; spices .....	647,874	320,380	Sugar and sugar confectionery .....	—	459
Beverages and vinegars .....	416,712	—	Coffee, tea, cocoa and preparations thereof; spices .....	335	38,516
Tobacco .....	1,103,623	—	Beverages and vinegars .....	30,289	138,290
Animal & vegetable oils, fats, greases and waxes & their manufactures, n.e.s. ....	—	4,021,830	Feeding stuffs for animals, n.e.s. ..	38,519	—
Chemical elements and compounds; pharmaceutical products .....	4,944,156	574,016	Tobacco .....	—	15,255
Dyeing, tanning and colouring sub- stances (not including crude materials) .....	1,314,837	116,835	Oil-seeds, nuts and kernels .....	—	1,507
Essential oils, perfumery, cosmetics, soaps and related products .....	379,835	135,434	Animal & vegetable oils, fats, greases and waxes & their manufactures, n.e.s. ....	14,374	295,425
Fertilizers .....	1,220	—	Chemical elements and compounds; pharmaceutical products .....	374,796	241,974
Rubber and manufactures thereof, n.e.s. ....	514,978	9,000	Dyeing, tanning and colouring sub- stances (not including crude materials) .....	98,247	58,789
Wood, cork & manufactures thereof	75,898	1,125	Essential oils, perfumery, cosmetics, soaps and related products .....	55,895	25,653
Pulp, paper and cardboard and manu- factures thereof .....	1,155,809	—	Rubber and manufactures thereof, n.e.s. ....	—	1,744
Hides and skins and leather .....	89,398	169,872	Wood, cork & manufactures thereof	34,000	116,898
Manufactures of leather, not includ- ing articles of clothing .....	37,855	—	Pulp, paper and cardboard and manu- factures thereof .....	—	343,156
Textile materials, raw or simply prepared .....	620,664	343,571	Hides and skins and leather .....	616,827	—
Yarns and thread .....	2,429,945	—	Manufactures of leather, not includ- ing articles of clothing .....	2,326	7,511
Textile fabrics and small wares ....	4,055,929	111,100	Yarns and thread .....	168,357	919,880
Special and technical textile articles	496,017	—	Textile fabrics and small wares ....	31,187	452,328
Clothing and underwear of textile materials; hats of all materials ..	264,737	4,021,353	Special and technical textile articles	4,322	5,271
Clothing of leather and fur .....	1,360	—	Clothing and underwear of textile materials; hats of all materials ..	66,061	170,325
Footwear, boots, shoes and slippers	17,725	1,719,100	Footwear, boots, shoes and slippers	—	30,784
Made-up articles of textile materials other than clothing .....	45,854	—	Made-up articles of textile materials other than clothing .....	—	7,425
Products for heating, lighting and power, lubricants and related pro- ducts .....	135,672	—	Products for heating, lighting and power, lubricants and related pro- ducts .....	34,400	280
Non-metallic minerals, crude or sim- ply prepared, n.e.s. ....	240,853	—	Pottery and other clay products ....	2,336	31,100
Pottery and other clay products ....	381,090	—	Glass and glassware .....	—	9,114
Glass and glassware .....	90,221	—	Manufactures of non-metallic miner- als, n.e.s. ....	1,980	—
Manufactures of non-metallic mine- rals, n.e.s. ....	119,937	—	Iron and steel .....	5,165	1,370
Precious metals and precious stones, pearls and articles made of these materials .....	68,533	303,882	Non-ferrous base metals .....	968	2,300
Ores, slag, cinder .....	4,957	—	Manufactures of base metals, n.e.s. .	43,382	333,787
Iron and steel .....	2,457,687	—	Machinery, apparatus and appliances other than electrical, n.e.s. ....	—	18,377
Non-ferrous base metals .....	1,000,936	—	Electrical machinery, apparatus and appliances .....	31,584	16,405
Manufactures of base metals n.e.s. .	1,775,576	14,945	Vehicles & transport equipment, n.e.s.	7,415	122,848
Machinery, apparatus and appliances other than electrical, n.e.s. ....	1,869,550	—	Miscellaneous crude or simply pre- pared products, n.e.s. ....	15,515	138,471
Electrical machinery, apparatus and appliances .....	3,557,724	182,773	Manufactured articles, n.e.s. ....	2,848	473,861
Vehicles & transport equipment, n.e.s.	1,851,834	6,165			
Miscellaneous crude or simply pre- pared products, n.e.s. ....	76,137	628,631			
Manufactured articles, n.e.s. ....	518,050	408,097			
Total Merchandise .....	34,170,532	13,670,911	Total .....	7,277,995	4,156,458
Gold and specie .....	—	857,333			
Grand Total .....	34,170,432	14,528,244			

## INDIA

ARTICLES	Imports \$	Exports \$
Fishery products, for food .....	104,199	—
Fruits and nuts, except oil-nuts ....	43,000	—
Coffee, tea, cocoa and preparations thereof; spices .....	13,993	—
Beverages and vinegars .....	—	520
Tobacco .....	329,101	—
Oil-seeds, nuts and kernels .....	909,569	—
Animal & vegetable oils, fats, greases and waxes & their manufactures, n.e.s. ....	172,568	—
Chemical elements and compounds; pharmaceutical products .....	—	10,530
Dyeing, tanning and colouring sub- stances (not including crude materials) .....	35,570	—
Essential oils, perfumery, cosmetics, soaps and related products .....	—	124
Rubber and manufactures thereof, n.e.s. ....	16,800	—
Wood, cork & manufactures thereof	23,102	1,492
Hides and skins and leather .....	13,733	44,482
Textile materials, raw or simply prepared .....	480,986	330,827
Yarns and thread .....	9,813,625	—
Textile fabrics and small wares ....	4,479,528	350
Special and technical textile articles	4,010	—
Clothing and underwear of textile materials, hats of all materials ..	—	180
Footwear, boots, shoes and slippers	—	263
Made-up articles of textile materials other than clothing .....	8,384,787	—
Products for heating, lighting and power, lubricants and related pro- ducts .....	992,140	—
Non-metallic minerals, crude or sim- ply prepared, n.e.s. ....	12,300	—
Precious metals and precious stones, pearls and articles made of these materials .....	3,200	—
Manufactures of base metals, n.e.s. .	—	554,627
Electrical machinery, apparatus and appliances .....	—	13,528
Miscellaneous crude or simply pre- pared products, n.e.s. ....	52,884	40,976
Manufactured articles, n.e.s. ....	—	3,593
Total .....	25,885,090	1,001,492

Chemical elements and compounds; pharmaceutical products .....	26,151	387,440
Dyeing, tanning and colouring sub- stances (not including crude materials) .....	39,900	264,418
Essential oils, perfumery, cosmetics, soaps and related products .....	105,735	215,391
Fertilizers .....	—	4,620
Rubber and manufactures thereof, n.e.s. ....	1,262,894	4,515
Wood, cork & manufactures thereof	988,070	41,337
Pulp, paper and cardboard and manu- factures thereof .....	215	1,083,691
Hides and skins and leather .....	91,445	—
Manufactures of leather, not includ- ing articles of clothing .....	—	183,553
Textile materials, raw or simply prepared .....	530	—
Yarns and thread .....	35,940	620,264
Textile fabrics and small wares ....	1,182,732	2,153,641
Special and technical textile articles	3,130	178,012
Clothing and underwear of textile materials; hats of all materials ..	—	1,272,390
Footwear, boots, shoes and slippers	—	12,275
Made-up articles of textile materials other than clothing .....	170,972	299,594
Products for heating, lighting and power, lubricants and related pro- ducts .....	5,050	—
Non-metallic minerals, crude or sim- ply prepared, n.e.s. ....	6,132	84,007
Pottery and other clay products ....	450	105,430
Glass and glassware .....	—	121,639
Manufactures of non-metallic miner- als, n.e.s. ....	—	4,045
Precious metals and precious stones, pearls and articles made of these materials .....	—	83,309
Iron and steel .....	44,206	—
Non-ferrous base metals .....	194,236	7,050
Manufactures of base metals, n.e.s. .	89,708	874,706
Machinery, apparatus and appliances other than electrical, n.e.s. ....	10,982	1,030,236
Electrical machinery, apparatus and appliances .....	17,935	308,374
Vehicles & transport equipment, n.e.s.	84,004	39,730
Miscellaneous crude or simply pre- pared products, n.e.s. ....	197,432	424,808
Manufactured articles, n.e.s. ....	51,627	4,442,602
Total .....	5,658,272	20,807,970

## NORTH BORNEO

ARTICLES	Imports \$	Exports \$
Meat and preparations thereof .....	1,350	598,361
Dairy products, eggs and honey ....	23,000	347,409
Fishery products, for food .....	71,916	978,297
Cereals .....	21,690	600
Manufactured products of cereals, chiefly for human food .....	14,915	99,345
Fruits and nuts, except oil-nuts ....	58,559	1,303,603
Vegetables, roots and tubers, chiefly used for human food and their preparations, n.e.s. ....	252,817	1,866,376
Sugar and sugar confectionery .....	500	59,272
Coffee, tea, cocoa and preparations thereof; spices .....	285,015	621,285
Beverages and vinegars .....	122,991	196,542
Feeding stuffs for animals, n.e.s. .	—	27,956
Tobacco .....	—	297,450
Oil-seeds, nuts and kernels .....	71,190	38,920
Animal & vegetable oils, fats, greases and waxes & their manufactures, n.e.s. ....	124,853	125,457

ARTICLES	Imports \$	Exports \$
Meat and preparations thereof .....	—	12,125
Dairy products, eggs and honey ....	—	895
Fishery products, for food .....	89,336	1,439
Cereals .....	—	99
Manufactured products of cereals, chiefly for human food .....	—	3,746
Fruits and nuts, except oil-nuts ....	45,843	10,704
Vegetables, roots and tubers, chiefly used for human food and their preparations, n.e.s. ....	3,874	30,432
Sugar and sugar confectionery .....	—	25,296
Coffee, tea, cocoa and preparations thereof; spices .....	—	747
Beverages and vinegars .....	—	36,174
Tobacco .....	—	278,625
Oil-seeds, nuts and kernels .....	—	3,165
Animal & vegetable oils, fats, greases and waxes & their manufactures, n.e.s. ....	22,980	1,933
Chemical elements and compounds; pharmaceutical products .....	—	498
Essential oils, perfumery, cosmetics, soaps and related products .....	—	745
Rubber and manufactures thereof, n.e.s. ....	9,265	—



Wood, cork & manufactures thereof	866,333	1,084
Pulp, paper and cardboard and manufactures thereof	—	6,496
Manufactures of leather, not including articles of clothing	—	3,398
Textile materials, raw or simply prepared	—	275
Textile fabrics and small wares	—	37,731
Clothing and underwear of textile materials; hats of all materials	—	9,755
Made-up articles of textile materials other than clothing	—	3,940
Products for heating, lighting and power, lubricants and related products, n.e.s.	—	297
Non-metallic minerals, crude or simply prepared, n.e.s.	—	746
Pottery and other clay products	—	2,480
Glass and glassware	—	3,804
Iron and steel	—	240
Manufactures of base metals, n.e.s.	—	17,386
Machinery, apparatus and appliances n.e.s. other than electrical	—	3,000
Electrical machinery, apparatus and appliances	—	6,835
Vehicles & transport equipment, n.e.s.	—	2,415
Miscellaneous crude or simply prepared products, n.e.s.	14,154	1,658
Manufactured articles, n.e.s.	—	8,895
Total	1,051,785	517,058

## BURMA

ARTICLES	Imports \$	Exports \$
Sugar and sugar confectionery	—	320,000
Chemical elements and compounds; pharmaceutical products	—	100,292
Dyeing, tanning and colouring substances (not including crude materials)	—	121,126
Essential oils, perfumery, cosmetics, soaps and related products	—	34,422
Pulp, paper and cardboard and manufactures thereof	—	13,617
Yarns and thread	—	9,000
Clothing and underwear of textile materials; hats of all materials	—	68,225
Pottery and other clay products	—	28,500
Glass and glassware	—	9,313
Iron and steel	—	112
Non-ferrous base metals	—	1,700
Manufactures of base metals, n.e.s.	—	130,432
Electrical machinery, apparatus and appliances	—	4,538
Vehicles & transport equipment, n.e.s.	—	22,536
Miscellaneous crude or simply prepared products, n.e.s.	—	8,717
Manufactured articles, n.e.s.	—	9,676
Total	—	882,206

## CHINA, CENTRAL

ARTICLES	Imports \$	Exports \$
Live animals, chiefly for food	21,140	—
Meat and preparations thereof	195	12,000
Dairy products, eggs and honey	185,222	1,143,041
Fishery products, for food	16,553	603,294
Manufactured products of cereals, chiefly for human food	—	2,560,121
Fruits and nuts, except oil-nuts	845,626	17,791
Vegetables, roots and tubers, chiefly used for human food and their preparations, n.e.s.	593,199	947,995
Sugar and sugar confectionery	397,081	1,800

Coffee, tea, cocoa and preparations thereof; spices	936,876	10,000
Beverages and vinegars	48,800	2,541
Feeding stuffs for animals, n.e.s.	12,000	4,696,751
Tobacco	—	154,116
Oil-seeds, nuts and kernels	770	1,379,718
Animal & vegetable oils, fats, greases and waxes & their manufactures, n.e.s.	42,215	915,433
Chemical elements and compounds; pharmaceutical products	45,700	1,102,960
Dyeing, tanning and colouring substances (not including crude materials)	—	765,446
Essential oils, perfumery, cosmetics, soaps and related products	16,065	110,922
Fertilizers	—	2,975,604
Rubber and manufactures thereof, n.e.s.	6,500	350,913
Wood, cork & manufactures thereof	5,435	63,036
Pulp, paper and cardboard and manufactures thereof	274,928	684,636
Hides and skins and leather	250	94,108
Manufactures of leather, not including articles of clothing	—	5,398
Textile materials, raw or simply prepared	—	455,641
Yarns and thread	400	3,493,944
Textile fabrics and small wares	394,932	1,818,027
Special and technical textile articles	29,050	48,379
Clothing and underwear of textile materials; hats of all materials	74,370	338,944
Footwear, boots, shoes and slippers	—	297,365
Made-up articles of textile materials other than clothing	7,250	583,046
Products for heating, lighting and power, lubricants and related products	252,000	1,802,897
Non-metallic minerals, crude or simply prepared, n.e.s.	2,600	67,700
Pottery and other clay products	202,739	91,920
Glass and glassware	—	26,204
Manufactures of non-metallic minerals, n.e.s.	1,000	16,130
Iron and steel	—	635,630
Non-ferrous base metals	4,800	160,372
Manufactures of base metals, n.e.s.	5,195	373,361
Machinery, apparatus and appliances other than electrical, n.e.s.	—	257,473
Electrical machinery, apparatus and appliances	—	418,335
Vehicles & transport equipment, n.e.s.	480	608,676
Miscellaneous crude or simply prepared products, n.e.s.	251,429	284,575
Manufactured articles, n.e.s.	28,415	613,348
Total	4,703,215	30,989,511

## CHINA, NORTH

ARTICLES	Imports \$	Exports \$
Live animals, chiefly for food	13,060	—
Meat and preparations thereof	235,445	—
Dairy products, eggs and honey	393,446	—
Fishery products, for food	264,243	—
Manufactured products of cereals, chiefly for human food	251,000	—
Fruits and nuts, except oil-nuts	382,182	5,640
Vegetables, roots and tubers, chiefly used for human food and their preparations, n.e.s.	1,239,797	14,670
Sugar and sugar confectionery	550	482,661

Coffee, tea, cocoa and preparations thereof; spices .....	27,180	34,642	Beverages and vinegars .....	65,520	4,160
Beverages and vinegars .....	45,780	540	Feeding stuffs for animals, n.e.s. ..	2,130	—
Feeding stuffs for animals, n.e.s. ..	7,690,174	—	Tobacco .....	—	888,348
Tobacco .....	364,776	—	Oil-seeds, nuts and kernels .....	41,955	345,491
Oil-seeds, nuts and kernels .....	1,300,675	—	Animal & vegetable oils, fats, greases and waxes & their manufactures, n.e.s. ....	5,774,287	372,065
Animal & vegetable oils, fats, greases and waxes & their manufactures, n.e.s. ....	4,717,507	78,600	Chemical elements and compounds; pharmaceutical products .....	—	920,666
Chemical elements and compounds; pharmaceutical products .....	277,900	3,307,139	Dyeing, tanning and colouring substances (not including crude materials) .....	—	1,208,728
Dyeing, tanning and colouring substances (not including crude materials) .....	—	997,019	Essential oils, perfumery, cosmetics, soaps and related products .....	52,238	14,198
Essential oils, perfumery, cosmetics, soaps and related products .....	56,076	29,360	Fertilizers .....	—	123,297
Fertilizers .....	52,128	—	Rubber and manufactures thereof, n.e.s. ....	7,200	670,595
Rubber and manufactures thereof, n.e.s. ....	2,000	1,410,082	Wood, cork & manufactures thereof	96,859	2,020
Wood, cork & manufactures thereof	180	4,500	Pulp, paper and cardboard and manufactures thereof .....	30,537	1,796,341
Pulp, paper and cardboard and manufactures thereof .....	700	1,319,587	Hides and skins and leather .....	70,192	5,614
Hides and skins and leather .....	124,830	—	Manufactures of leather, not including articles of clothing .....	—	3,950
Manufactures of leather, not including articles of clothing .....	1,800	7,380	Textile materials, raw or simply prepared .....	131,744	784,203
Furs, not made up .....	4,437	—	Yarns and thread .....	—	839,197
Textile materials, raw or simply prepared .....	1,635,581	5,675,963	Textile fabrics and small wares ...	26,600	2,838,248
Yarns and thread .....	1,647,035	65,505	Special and technical textile articles	5,280	20,317
Textile fabrics and small wares ...	2,998,132	22,354	Clothing and underwear of textile materials, hats of all materials ..	—	435,176
Special and technical textile articles	7,500	183,814	Footwear, boots, shoes and slippers	6,000	332,697
Clothing and underwear of textile materials; hats of all materials ..	59,923	13,771	Made-up articles of textile materials other than clothing .....	—	3,126,212
Footwear, boots, shoes and slippers	1,000	—	Products for heating, lighting and power, lubricants and related products .....	—	3,344,263
Made-up articles of textile materials other than clothing .....	1,176,363	6,624,881	Non-metallic minerals, crude or simply prepared, n.e.s. ....	15,810	58,281
Products for heating, lighting and power, lubricants and related products .....	353,142	1,465,915	Pottery and other clay products ...	90,430	8,883
Non-metallic minerals, crude or simply prepared, n.e.s. ....	12,835	211,958	Glass and glassware .....	—	41,715
Pottery and other clay products ...	5,120	5,000	Manufactures of non-metallic minerals, n.e.s. ....	592	13,172
Glass and glassware .....	—	1,017	Ores, slag, cinder .....	408,732	—
Manufactures of non-metallic minerals, n.e.s. ....	23,320	45,393	Iron and steel .....	—	337,077
Precious metals and precious stones, pearls and articles made of these materials .....	1,554	—	Non-ferrous base metals .....	967,727	389,927
Iron and steel .....	—	3,682,725	Manufactures of base metals, n.e.s. .	150	179,250
Non-ferrous base metals .....	—	77,326	Machinery, apparatus and appliances other than electrical, n.e.s. ....	27,000	90,301
Manufactures of base metals, n.e.s. .	157,861	263,833	Electrical machinery, apparatus and appliances .....	—	221,407
Machinery, apparatus and appliances other than electrical, n.e.s. ....	—	412,649	Vehicles & transport equipment, n.e.s.	—	672,171
Electrical machinery, apparatus and appliances .....	56,117	267,770	Miscellaneous crude or simply prepared products, n.e.s. ....	450,653	205,785
Vehicles & transport equipment, n.e.s.	—	309,060	Manufactured articles, n.e.s. ....	47,778	579,055
Miscellaneous crude or simply prepared products, n.e.s. ....	2,148,675	313,869			
Manufactured articles, n.e.s. ....	377,810	51,052			
Total .....	28,107,834	27,385,675	Total Merchandise .....	11,230,980	23,594,560
			Gold and specie .....	503,300	—
			Grand Total .....	11,734,280	23,594,560

## INDOCHINA

ARTICLES	Imports \$	Exports \$
Meat and preparations thereof .....	—	1,501
Fishery products, for food .....	314,540	41,985
Cereals .....	800	—
Manufactured products of cereals, chiefly for human food .....	—	7,970
Fruits and nuts, except oil-nuts ...	6,384	224,148
Vegetables, roots and tubers, chiefly used for human food and their preparations, n.e.s. ....	96,042	244,491
Sugar and sugar confectionery .....	—	90
Coffee, tea, cocoa and preparations thereof; spices .....	153,280	28,514
Beverages and vinegars .....	—	75
Tobacco .....	—	224
Oil-seeds, nuts and kernels .....	469,193	—
Animal & vegetable oils, fats, greases and waxes & their manufactures, n.e.s. ....	50,000	—

## CHINA. SOUTH

ARTICLES	Imports \$	Exports \$
Live animals, chiefly for food .....	2,541,235	—
Meat and preparations thereof .....	1,400	—
Dairy products, eggs and honey ....	93,564	72,384
Fishery products, for food .....	8,020	111,923
Cereals .....	—	45
Manufactured products of cereals, chiefly for human food .....	—	1,771,191
Fruits and nuts, except oil-nuts ...	20,298	59,193
Vegetables, roots and tubers, chiefly used for human food and their preparations, n.e.s. ....	197,379	98,975
Sugar and sugar confectionery .....	—	597,720
Coffee, tea, cocoa and preparations thereof; spices .....	49,670	9,410



Chemical elements and compounds; pharmaceutical products .....	1,800	72,534
Dyeing, tanning and colouring substances (not including crude materials) .....	55,250	384
Fertilizers .....	10,900	—
Wood, cork & manufactures thereof	—	175
Pulp, paper and cardboard and manufactures thereof .....	—	45,000
Hides and skins and leather .....	83,931	—
Textile materials, raw or simply prepared .....	32,153	—
Yarns and thread .....	—	25,200
Textile fabrics and small wares .....	—	150
Special and technical textile articles	15,075	30,018
Clothing and underwear of textile materials; hats of all materials ..	—	104
Products for heating, lighting and power, lubricants and related products .....	236,937	801
Pottery and other clay products ....	—	600
Non-ferrous base metals .....	8,800	3,514
Manufactures of base metals, n.e.s. ....	—	4,753
Machinery, apparatus and appliances other than electrical, n.e.s. ....	—	113,072
Electrical machinery, apparatus and appliances .....	—	1,868
Vehicles & transport equipment, n.e.s. ....	—	9,732
Miscellaneous crude or simply prepared products, n.e.s. ....	673,145	351,852
Manufactured articles, n.e.s. ....	—	70,938
<b>Total .....</b>	<b>2,208,230</b>	<b>1,279,693</b>

## INDONESIA

ARTICLES	Imports \$	Exports \$
Fishery products, for food .....	—	1,575
Cereals .....	6,000	—
Manufactured products of cereals, chiefly for human food .....	—	37,900
Fruits and nuts, except oil-nuts ....	—	2,850
Vegetables, roots and tubers, chiefly used for human food and their preparations, n.e.s. ....	—	28,250
Sugar and sugar confectionery .....	—	9,185
Tobacco .....	—	4,350
Animal & vegetable oils, fats, greases and waxes & their manufactures, n.e.s. ....	63,998	—
Chemical elements and compounds; pharmaceutical products .....	43,841	22,677
Dyeing, tanning and colouring substances (not including crude materials) .....	—	32,819
Essential oils, perfumery, cosmetics, soaps and related products .....	—	11,180
Rubber and manufactures thereof, n.e.s. ....	698,949	2,593
Wood, cork & manufactures thereof	—	—
Pulp, paper and cardboard and manufactures thereof .....	—	184,812
Hides and skins and leather .....	—	9,300
Textile materials, raw or simply prepared .....	—	7,631
Yarns and thread .....	—	5,221,269
Textile fabrics and small wares ....	—	109,862
Clothing and underwear of textile materials; hats of all materials ..	—	114,185
Footwear, boots, shoes and slippers	—	300
Made-up articles of textile materials other than clothing .....	—	35,490
Products for heating, lighting and power, lubricants and related products .....	2,328,386	—
Pottery and other clay products ....	—	29,674
Glass and glassware .....	—	9,450
Manufactures of non-metallic minerals, n.e.s. ....	—	1,887

Non-ferrous base metals .....	81,705	—
Manufactures of base metals, n.e.s. .	—	138,521
Machinery, apparatus and appliances other than electrical, n.e.s. ....	12,121	1,525
Electrical machinery, apparatus and appliances .....	—	49,895
Miscellaneous crude or simply prepared products, n.e.s. ....	228,706	7,894
Manufactured articles, n.e.s. ....	—	294,219
<b>Total .....</b>	<b>3,463,705</b>	<b>6,369,295</b>

## JAPAN

ARTICLES	Imports \$	Exports \$
Meat and preparations thereof .....	7,784	145
Dairy products, eggs and honey ...	—	270
Fishery products, for food .....	424,928	—
Manufactured products of cereals, chiefly for human food .....	—	2,200
Fruits and nuts, except oil-nuts ....	47,987	126
Vegetables, roots and tubers, chiefly used for human food and their preparations, n.e.s. ....	779,460	2,611
Sugar and sugar confectionery .....	—	809,308
Coffee, tea, cocoa and preparations thereof; spices .....	278,936	611
Beverages and vinegars .....	—	155,350
Tobacco .....	—	295
Oil-seeds, nuts and kernels .....	—	2,420,439
Animal & vegetable oils, fats, greases and waxes & their manufactures, n.e.s. ....	—	1,133,296
Chemical elements and compounds; pharmaceutical products .....	134,190	746
Dyeing, tanning and colouring substances (not including crude materials) .....	36,626	776,706
Essential oils, perfumery, cosmetics, soaps and related products .....	3,566	64,364
Rubber and manufactures thereof, n.e.s. ....	5,599	180
Wood, cork & manufactures thereof	11,611	40,619
Pulp, paper and cardboard and manufactures thereof .....	5,872	48,645
Hides and skins and leather .....	—	27,375
Furs, not made up .....	—	750
Textile materials, raw or simply prepared .....	391,014	1,362,576
Yarns and thread .....	—	402
Textile fabrics and small wares ....	1,394,099	513,563
Special and technical textile articles	3,199	240
Clothing and underwear of textile materials; hats of all materials ..	12,570	25,591
Footwear, boots, shoes and slippers	—	3,760
Products for heating, lighting and power, lubricants and related products .....	—	3,251
Non-metallic minerals, crude or simply prepared, n.e.s. ....	330,044	—
Pottery and other clay products ....	85,447	33,015
Glass and glassware .....	—	2,040
Precious metals and precious stones, pearls and articles made of these materials .....	—	2,193
Ores, slag, cinder .....	—	669,400
Iron and steel .....	109,207	—
Non-ferrous base metals .....	12,357	—
Manufactures of base metals, n.e.s. .	68,513	12,276
Machinery, apparatus and appliances other than electrical, n.e.s. ....	47,684	15,825
Electrical machinery, apparatus and appliances .....	—	6,437
Vehicles & transport equipment, n.e.s. ....	9,641	65,721
Miscellaneous crude or simply prepared products, n.e.s. ....	6,155	109,056
Manufactured articles, n.e.s. ....	219,372	1,070,843
<b>Total .....</b>	<b>4,425,821</b>	<b>9,380,225</b>



## KOREA, NORTH

ARTICLES	Imports \$	Exports \$
Fishery products, for food .....	251,733	—
Manufactured products of cereals, chiefly for human food .....	229,700	—
Vegetables, roots and tubers, chiefly used for human food and their preparations, n.e.s. ....	12,180	—
Feeding stuffs for animals, n.e.s. ...	2,479,699	—
Chemical elements and compounds; pharmaceutical products .....	—	18,000
Fertilizers .....	902,000	—
Rubber and manufactures thereof, n.e.s. ....	—	95,000
Pulp, paper and cardboard and manu- factures thereof .....	—	154,237
Special and technical textile articles	—	170,000
Clothing and underwear of textile materials; hats of all materials ..	—	5,200
Footwear, boots, shoes and slippers	—	60,060
Manufactures of base metals, n.e.s. .	—	8,500
Vehicles & transport equipment, n.e.s.	—	14,079
Miscellaneous crude or simply pre- pared products, n.e.s. ....	70,884	—
<b>Total</b> .....	<b>3,946,196</b>	<b>525,076</b>

## KOREA, SOUTH

ARTICLES	Imports \$	Exports \$
Dairy products, eggs and honey ...	178,213	—
Fishery products, for food .....	2,492,542	—
Manufactured products of cereals, chiefly for human food .....	—	1,620
Fruits and nuts, except oil-nuts ....	97,638	1,619
Vegetables, roots and tubers, chiefly used for human food and their preparations, n.e.s. ....	42,500	—
Sugar and sugar confectionery .....	—	63,000
Beverages and vinegars .....	—	41,283
Tobacco .....	—	1,908
Chemical elements and compounds; pharmaceutical products .....	300	498,528
Dyeing, tanning and colouring sub- stances (not including crude materials) .....	—	114,986
Pulp, paper and cardboard and manu- factures thereof .....	—	510,477
Manufactures of leather, not includ- ing articles of clothing .....	—	450
Furs, not made up .....	164,840	—
Textile materials, raw or simply prepared .....	183,100	—
Yarns and thread .....	—	867,315
Textile fabrics and small wares ....	—	5,736
Clothing and underwear of textile materials; hats of all materials ..	—	240
Products for heating, lighting and power, lubricants and related pro- ducts .....	—	19,140
Glass and glassware .....	—	48,768
Precious metals and precious stones, pearls and articles made of these materials .....	—	535
Iron and steel .....	—	5,820
Manufactures of base metals, n.e.s. .	—	680
Electrical machinery, apparatus and appliances .....	—	900
Vehicles & transport equipment, n.e.s.	—	79,000
Miscellaneous crude or simply pre- pared products, n.e.s. ....	53,209	27,296
Manufactured articles, n.e.s. ....	—	22,182
<b>Total</b> .....	<b>3,212,342</b>	<b>2,311,483</b>

## MACAO

ARTICLES	Imports \$	Exports \$
Live animals, chiefly for food .....	29,400	4,400
Meat and preparations thereof .....	202,082	3,886
Dairy products, eggs and honey ....	755,866	69,994
Fishery products, for food .....	241,067	1,104,449
Cereals .....	3,570	1,746,372
Manufactured products of cereals, chiefly for human food .....	19,390	1,145,770
Fruits and nuts, except oil-nuts ..	159,314	1,085,484
Vegetables, roots and tubers, chiefly used for human food and their preparations, n.e.s. ....	746,395	539,945
Sugar and sugar confectionery .....	33,451	332,245
Coffee, tea, cocoa and preparations thereof; spices .....	34,449	219,341
Beverages and vinegars .....	249,405	211,341
Feeding stuffs for animals, n.e.s. ...	192,665	210,253
Tobacco .....	50,620	1,773,256
Oil-seeds, nuts and kernels .....	6,940	887,202
Animal & vegetable oils, fats, greases and waxes & their manufactures, n.e.s. ....	286,198	211,415
Chemical elements and compounds; pharmaceutical products .....	47,540	722,528
Dyeing, tanning and colouring sub- stances (not including crude materials) .....	4,080	144,166
Essential oils, perfumery, cosmetics, soaps and related products .....	44,168	296,065
Fertilizers .....	279	760,811
Rubber and manufactures thereof, n.e.s. ....	5	108,885
Wood, cork & manufactures thereof	239,948	294,993
Pulp, paper and cardboard and manu- factures thereof .....	50,608	848,930
Hides and skins and leather .....	60,608	57,242
Manufactures of leather, not includ- ing articles of clothing .....	260	21,707
Textile materials, raw or simply prepared .....	109,246	43,066
Yarns and thread .....	5,728	540,250
Textile fabrics and small wares ....	557,415	1,538,980
Special and technical textile articles	20,235	27,257
Clothing and underwear of textile materials; hats of all materials ..	16,030	677,737
Clothing of leather and fur .....	—	3,095
Footwear, boots, shoes and slippers	3,100	142,253
Made-up articles of textile materials other than clothing .....	24,482	69,861
Products for heating, lighting and power, lubricants and related pro- ducts .....	—	2,506,497
Non-metallic minerals, crude or sim- ply prepared, n.e.s. ....	15,311	39,834
Pottery and other clay products ....	7,349	40,866
Glass and glassware .....	3,343	69,533
Manufactures of non-metallic miner- als, n.e.s. ....	1,350	4,323
Ores, slag, cinder .....	34,540	—
Iron and steel .....	965	199,114
Non-ferrous base metals .....	194,066	115,336
Manufactures of base metals, n.e.s. .	217,192	353,380
Machinery, apparatus and appliances other than electrical, n.e.s. ....	1,480	85,802
Electrical machinery, apparatus and appliances .....	47,990	335,066
Vehicles & transport equipment, n.e.s.	10,341	275,938
Miscellaneous crude or simply pre- pared products, n.e.s. ....	563,704	263,875
Manufactured articles, n.e.s. ....	1,259,071	631,946
<b>Total Merchandise</b> .....	<b>6,551,521</b>	<b>20,764,689</b>
Gold and specie .....	238,184	—
<b>Grand Total</b> .....	<b>6,789,705</b>	<b>20,764,689</b>



## PAKISTAN

ARTICLES	Imports \$	Exports \$
Fishery products, for food .....	71,320	—
Chemical elements and compounds; pharmaceutical products .....	—	10,478
Textile materials, raw or simply prepared .....	8,500,543	—
Yarns and threads .....	—	1,061,773
Textile fabrics and small wares ....	—	16,790
Special and technical textile articles	—	17,220
Clothing and underwear of textile materials; hats of all materials ..	—	5,400
Manufactures of base metals, n.e.s. .	—	6,470
Miscellaneous crude or simply pre- pared products, n.e.s. ....	—	107,394
Manufactured articles, n.e.s. ....	—	490
<b>Total</b> .....	<b>8,571,863</b>	<b>1,226,015</b>

## PHILIPPINES

ARTICLES	Imports \$	Exports \$
Meat and preparations thereof .....	—	58
Dairy products, eggs and honey ..	930	430,008
Fruits and nuts, except oil-nuts ....	1,550	2,000
Manufactured products of cereals, chiefly for human food .....	13,260	5,800
Fruits and nuts, except oil-nuts ....	4,000	—
Vegetables, roots and tubers, chiefly used for human food and their preparations, n.e.s. ....	13,100	42,202
Sugar and sugar confectionery .....	279,600	—
Coffee, tea, cocoa and preparations thereof; spices .....	—	2,250
Beverages and vinegars .....	—	933
Tobacco .....	27,254	—
Oil-seeds, nuts and kernels .....	—	166,087
Chemical elements and compounds; pharmaceutical products .....	—	156,445
Dyeing, tanning and colouring sub- stances (not including crude materials) .....	—	111,617
Wood, cork & manufactures thereof	141,301	3,710
Pulp, paper and cardboard and manu- factures thereof .....	—	197,596
Textile materials, raw or simply prepared .....	202,577	—
Yarns and thread .....	—	24,000
Textile fabrics and small wares ....	—	1,814
Special and technical textile articles	44,779	—
Clothing and underwear of textile materials; hats of all materials ..	—	1,160
Made-up articles of textile materials other than clothing .....	7,500	—
Products for heating, lighting and power, lubricants and related pro- ducts .....	—	20,000
Pottery and other clay products ....	—	29,463
Glass and glassware .....	—	119
Manufactures of non-metallic miner- als, n.e.s. ....	—	975
Iron and steel .....	—	120,980
Non-ferrous base metals .....	20,700	38,512
Manufactures of base metals, n.e.s. .	216	212,171
Machinery, apparatus and appliances other than electrical, n.e.s. ....	1,500	65,395
Electrical machinery, apparatus and appliances .....	9,800	3,750
Vehicles & transport equipment, n.e.s.	1,700	6,270
Miscellaneous crude or simply pre- pared products, n.e.s. ....	3,027	45,235
Manufactured articles, n.e.s. ....	5,419	52,298
<b>Total</b> .....	<b>778,213</b>	<b>1,740,848</b>

## THAILAND

ARTICLES	Imports \$	Exports \$
Dairy products, eggs and honey ...	—	89,708
Fishery products, for food .....	155,808	600
Cereals .....	3,513,197	566
Manufactured products of cereals, chiefly for human food .....	27,560	5,674
Fruits and nuts, except oil-nuts ....	5,776	1,770
Vegetables, roots and tubers, chiefly used for human food and their preparations, n.e.s. ....	299,246	10,490
Sugar and sugar confectionery .....	10,500	—
Coffee, tea, cocoa and preparations thereof; spices .....	68,500	35,790
Beverages and vinegars .....	—	45,360
Feeding stuffs for animals, n.e.s. ...	43,920	4,010
Oil-seeds, nuts and kernels .....	784,826	—
Animal & vegetable oils, fats, greases and waxes & their manufactures, n.e.s. ....	967,986	9,547
Chemical elements and compounds; pharmaceutical products .....	154,316	351,047
Dyeing, tanning and colouring sub- stances (not including crude materials) .....	—	137,026
Essential oils, perfumery, cosmetics, soaps and related products .....	—	17,930
Rubber and manufactures thereof, n.e.s. ....	2,100	2,640
Wood, cork & manufactures thereof	664,140	8,435
Pulp, paper and cardboard and manu- factures thereof .....	—	173,208
Hides and skins and leather .....	464,224	6,119
Manufactures of leather, not includ- ing articles of clothing .....	—	3,870
Textile materials, raw or simply prepared .....	114,941	10,400
Yarns and threads .....	—	877,510
Textile fabrics and small wares ....	—	228,683
Special and technical textile articles	—	33,090
Clothing and underwear of textile materials, hats of all materials ..	—	708,497
Clothing of leather and fur .....	—	260
Footwear, boots, shoes and slippers	280	27,242
Made-up articles of textile materials other than clothing .....	—	400,949
Products for heating, lighting and power, lubricants and related pro- ducts .....	—	772,253
Non-metallic minerals, crude or sim- ply prepared, n.e.s. ....	163,493	17,760
Pottery and other clay products ....	—	24,669
Glass and glassware .....	—	60,362
Manufactures of non-metallic miner- als, n.e.s. ....	—	4,784
Products for heating, lighting and power, lubricants and related pro- ducts .....	3,990	—
Iron and steel .....	—	65,254
Non-ferrous base metals .....	—	30,957
Manufactures of base metals, n.e.s. .	—	966,905
Machinery, apparatus and appliances other than electrical, n.e.s. ....	—	51,344
Electrical machinery, apparatus and appliances .....	—	188,401
Vehicles & transport equipment, n.e.s.	—	73,536
Miscellaneous crude or simply pre- pared products, n.e.s. ....	96,639	84,286
Manufactured articles, n.e.s. ....	5,400	288,963
<b>Total</b> .....	<b>7,546,842</b>	<b>5,819,895</b>



U. S. A.					
ARTICLES	Imports \$	Exports \$			
Meat and preparations thereof .....	41,805	129,359	Furs, not made up .....	—	541,948
Dairy products, eggs and honey ..	765,742	136,609	Textile materials, raw or simply prepared .....	5,849,244	365,028
Fishery products, for food .....	801,566	153,567	Textile fabrics and small wares ....	2,758,832	702,907
Cereals .....	1,192	—	Special and technical textile articles	120,482	150
Manufactured products of cereals, chiefly for human food .....	1,279,076	59,228	Clothing and underwear of textile materials; hats of all materials ..	835,968	395,479
Fruits and nuts, except oil-nuts ....	2,939,921	200,634	Footwear, boots, shoes and slippers	18,419	30,537
Vegetables, roots and tubers, chiefly used for human food and their preparations, n.e.s. ....	96,544	560,922	Made-up articles of textile materials other than clothing .....	17,375	—
Sugar and sugar confectionery .....	252,053	3,192	Products for heating, lighting and power, lubricants and related pro- ducts .....	2,504,466	1,280
Coffee, tea, cocoa and preparations thereof; spices .....	521,017	278,692	Non-metallic minerals, crude or sim- ply prepared, n.e.s. ....	858,154	4,342
Beverages and vinegars .....	19,465	85,526	Pottery and other clay products ....	4,379	83,130
Feeding stuffs for animals, n.e.s. ..	—	850	Glass and glassware .....	137,871	546
Tobacco .....	2,246,876	—	Manufactures of non-metallic miner- als, n.e.s. ....	31,557	300
Oil-seeds, nuts and kernels .....	—	81,531	Precious metals and precious stones, pearls and articles made of these materials .....	45,094	28,776
Animal & vegetable oils, fats, greases and waxes & their manufactures, n.e.s. ....	38,751	338,642	Ores, slag, cinder .....	—	265,660
Chemical elements and compounds; pharmaceutical products .....	5,540,996	139,636	Iron and steel .....	3,731,439	—
Dyeing, tanning and colouring sub- stances (not including crude materi- als) .....	3,682,920	180	Non-ferrous base metals .....	135,704	1,426,979
Essential oils, perfumery, cosmetics, soaps and related products .....	485,968	360,162	Manufactures of base metals, n.e.s. .	1,564,185	134,234
Fertilizers .....	2,103,241	—	Machinery, apparatus and appliances other than electrical, n.e.s. ....	2,507,801	6,000
Rubber and manufactures thereof, n.e.s. ....	59,226	237,800	Electrical machinery, apparatus and appliances .....	1,306,242	498
Wood, cork & manufactures thereof	88,093	40,146	Vehicles & transport equipment, n.e.s.	964,523	—
Pulp, paper and cardboard and manu- factures thereof .....	1,786,889	21,646	Miscellaneous crude or simply pre- pared products, n.e.s. ....	426,877	1,972,286
Hides and skins and leather .....	112,060	6,000	Manufactured articles, n.e.s. ....	2,554,277	1,748,578
Manufactures of leather, not includ- ing articles of clothing .....	22,881	135			
			Total Merchandise .....	49,259,280	10,543,110
			Gold and specie .....	—	3,395,416
			Grand Total .....	49,259,280	13,938,526

Published and edited by ERIC E. HALPERN for and on behalf of The Far Eastern Economic Review Ltd., at 322, Queen's Building, Victoria, Hongkong.—Telephone: 32429, Cables: Ficom.

The Far Eastern Economic Review is published weekly, and printed by the Newspaper Enterprise Ltd., Windsor House, Hongkong.

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Hongkong .....	HK\$ 50	United Kingdom and British Commonwealth	£ 4
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